

PITMAN'S COMMERCIAL ENCYCLOPÆDIA AND DICTIONARY OF BUSINESS

A RELIABLE AND COMPREHENSIVE WORK OF
REFERENCE ON ALL COMMERCIAL SUBJECTS SPECIALLY
DESIGNED AND WRITTEN FOR THE BUSY MERCHANT, THE
COMMERCIAL STUDENT AND THE MODERN MAN OF AFFAIRS

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ASSISTED BY HUNDREDS OF EXPERT SPECIALISTS AS CONTRIBUTORS
WITH NUMEROUS MAPS ILLUSTRATIONS FACSIMILES
BUSINESS FORMS AND LEGAL DOCUMENTS DIAGRAMS ETC



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PITMAN'S

COMMERCIAL ENCYCLOPÆDIA

AND

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REC]

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RECEIPTS AND PAYMENTS ACCOUNTS—An account of moneys received and paid during a stated period. The account commences with the balance in hand at the commencement of the period and ends with that in hand at the end of the period. The items received and paid during the period are shown under appropriate headings. For totals only under each heading being given. For the purpose of arriving at these totals the Cash Book is best kept in analysis form. These statements are often only presented to show the dealings and final position of a treasurer or secretary for a certain period.

The difference between this account and an income and expenditure account is not generally quite understood and reference to the latter should be made.

An example of a Receipts and Payments Account is given below.

RECEIVER—This is the general name applied to a person who is appointed with the object of taking care of or providing for the safety of property under special circumstances. Thus litigation may be threatened as to a certain estate and it is necessary that pending the dispute some one neutral person should be in the position of owner so that other parties may not be interfered with e.g. the tenants of a large estate. Upon a proper case being shown the court will order the appointment

of a receiver. Again there may be a reasonable probability that property may be dissipated or destroyed unless the court steps in and prevents any waste. The proper course is to get a receiver appointed. Other cases are those in which proceedings are being taken by debenture holders against a joint stock company or where property is mortgaged and the mortgagor is in default in the payment of the mortgage money or where the property of infants needs safeguarding or where proceedings are being taken by way of equitable execution (q.v.).

In all but the last mentioned case and also in the case of a mortgage when the mortgagor has the right to exercise his power of sale an application may be made to the court for the appointment of a receiver immediately after the issue of the writ and the appointment follows almost as a matter of course if it appears just or convenient. In the case of equitable execution (q.v.) a receiver is appointed when a creditor has obtained judgment against a debtor and it appears that the debtor has interests in property which cannot be taken in execution e.g. a life interest in stocks and shares held by trustees. Such interests can only be reached by the appointment of a person to receive the same and pay the money into court toward the satisfaction of the judgment.

The receiver in every case where he is appointed

Receipts and Payments Account.

19				19			
Receipts				Payments			
Dr	£	s	d		£	s	d
To Cash at Bank and in hand	100	0	0	By Rent Rates, Light Insc. et.	515	0	0
Entrance Fees	24	0	0	" Salaries	250	0	0
Subscriptions	140	0	0	" Servants Wages	250	0	0
Billiard Room Receipts	80	0	0	Printing Stationery etc	290	0	0
Wines Spirits and Cigars sold	300	0	0	Legal Expenses	80	0	0
				Repairs to House & Furniture	16	0	0
				Wines Spirits and Cigars	48	0	0
				Interest on Loans	214	0	0
				Cash at Bank and in hand	40	0	0
					577	0	0
	£1980	0	0		£1980	0	0

by the court must give security. This is usually effected by means of a bond with two sureties. The rate of remuneration, unless there are special circumstances connected with the case, is generally fixed at five per cent. The receiver's duties are to take possession of the property and to keep full and proper accounts of all dealings in connection with it so long as he is in possession. A receiver on completing his security and going into possession becomes an officer of the court, and any interference with his possession renders the person interfering liable to imprisonment for contempt of court. No assertion of right can excuse interference when once the receiver has been put into possession.

A receiver is most frequently met with in connection with joint stock companies. If the affairs of the company are in a perilous state, the debenture holders may desire to assert their rights before complete disaster overtakes the business. Yet it may be advisable that the business should be carried on for a period. In such a case a receiver is appointed who is made manager also, and care must be taken to select a person conversant with and experienced in the particular business. Generally the judge appoints the person nominated by the party making the application for the receiver, who must, however, file an affidavit as to the fitness of the person whom he nominates, unless some good reason can be shown by the opposing party against his fitness. Provision should always be made in the debentures as to the exact position of the receiver, for it will depend upon that whether the receiver is the agent of the company or of the debenture-holders, and thus who is the party to whom he must look for his remuneration.

The appointment of a receiver or manager of the property of a company is to be notified to the registrar of companies. By the Companies (Consolidation) Act, 1908—

"Section 91—(1) If any person obtains an order for the appointment of a receiver or manager of the property of a company, or appoints such a receiver or manager under any powers contained in any instrument, he shall within seven days from the date of the order or of the appointment under the powers contained in the instrument give notice of the fact to the registrar of companies, and the registrar shall, on payment of the prescribed fee, enter the fact in the register of mortgages and charges.

"(2) If any person makes default in complying with the requirements of this Section he shall be liable to a fine not exceeding five pounds for every day during which the default continues.

"95—(1) Every receiver or manager of the property of a company who has been appointed under the powers contained in any instrument, and who has taken possession, shall, once in every half-year while he remains in possession, and also on ceasing to act as receiver or manager, file with the registrar of companies an abstract in the prescribed form of his receipts and payments during the period to which the abstract relates, and shall also on ceasing to act as receiver or manager file with the registrar notice to that effect, and the registrar shall enter the notice in the register of mortgages and charges.

"(2) Every receiver or manager who makes default in complying with the provisions of this Section shall be liable to a fine not exceeding fifty pounds.

Power in England to Appoint Special Manager

"161—(1) Where the official receiver becomes the liquidator of a company, whether provisionally or otherwise, he may, if satisfied that the nature of the estate or business of the company, or the interests of the creditors or contributories generally, require the appointment of a special manager of the estate or business of the company other than himself, apply to the Court to, and the Court may on such application, appoint a special manager thereof to act during such time as the Court may direct, with such powers, including any of the powers of a receiver or manager, as may be entrusted to him by the Court.

"(2) The special manager shall give such security and account in such manner as the Board of Trade direct.

"(3) The special manager shall receive such remuneration as may be fixed by the Court.

Power in England to Appoint Official Receiver as Receiver for Debenture Holders or Creditors

"162 Where an application is made to the Court to appoint a receiver on behalf of the debenture holders or other creditors of a company which is being wound up by the Court in England, the official receiver may be so appointed."

A receiver appointed by a mortgagee or incumbrancer and not by the court, has only the powers conferred on him by statute or agreement. By the former he has power to receive all the income of the property of which he is appointed receiver, by action, distress, or otherwise, and to give receipts for payments. He is entitled to charge five per cent for his remuneration, unless a lower rate is specified in his appointment. All moneys received must be employed first, in the discharge of rates, taxes, and outgoings, next, in payment of his own commission and of premiums on policies and for repairs, and then, in payment of the interest on the mortgage. If there is any balance it goes to the mortgagor.

These matters are of such extreme importance, that a person who is likely to be appointed as receiver should be made acquainted with his exact statutory position. The appointment, powers, remuneration, and duties of a receiver are thus set out in the Conveyancing and Law of Property Act, 1881—

"Section 24—(1) A mortgagee entitled to appoint a receiver under the power in that behalf conferred by this Act shall not appoint a receiver until he has become entitled to exercise the power of sale conferred by this Act, but may then, by writing under his hand, appoint such person as he thinks fit to be receiver.

"(2) The receiver shall be deemed to be the agent of the mortgagor; and the mortgagor shall be solely responsible for the receiver's acts or defaults, unless the mortgage deed otherwise provides.

"(3) The receiver shall have power to demand and recover all the income of the property of which he is appointed receiver, by action, distress, or otherwise, in the name either of the mortgagor or of the mortgagee, to the full extent of the estate or interest which the mortgagor could dispose of, and to give effectual receipts, accordingly, for the same.

"(4) A person paying money to the receiver

shall not be concerned to inquire whether any case has happened to authorise the receiver to act

(5) The receiver may be moved and a new receiver may be appointed from time to time by the mortgagee by writing under his hand

(6) The receiver shall be entitled to retain out of any money received by him for his remuneration and in satisfaction of all costs charges and expenses incurred by him as receiver a commission at such rate not exceeding five per centum on the gross amount of all money received as is specified in his appointment and if no rate is so specified then at the rate of five per centum on that gross amount or at such higher rate as the Court thinks fit to allow on application made by him for that purpose

(7) The receiver shall if so directed in writing by the mortgagee insure and keep insured against loss or damage by fire out of the money received by him any building effects or property comprised in the mortgage whether situate on the freehold or not being of an insurable nature

(8) The receiver shall apply all money received by him as follows (namely)

(a) In discharge of all rents taxes rates and outgoings whatever affecting the mortgaged property and

(b) In keeping down all annual sums or other payments and the interest on all principal sums having priority to the mortgage in right whereof he is receiver and

(c) In payment of his commission and of the premiums on fire life or other insurances if any properly payable under the mortgage deed or under this Act and the cost of executing necessary or proper repairs directed in writing by the mortgagee and

(d) In payment of the interest accruing due in respect of any principal money due under the mortgage

and shall pay the residue of the money received by him to the person who but for the possession of the receiver would have been entitled to receive the income of the mortgaged property or who is otherwise entitled to that property (See MORTGAGE)

The appointment of a receiver by a mortgagee saves the latter from many risks in connection with the mortgaged property to which he would be exposed if he himself went into possession.

RECEIVER, OFFICIAL.—(See OFFICIAL RECEIVER)

RECEIVER OF STOLEN GOODS.—Any person who receives any chattel money or other property whatsoever the stealing obtaining embezzling or disposing of which is a felony either at common law or by virtue of the Larceny Act 1861 knowing the same to have been feloniously stolen obtained embezzled or disposed of is himself guilty of felony

The receiving of stolen goods is an extremely common offence and as it often happens that the actual thief is not able to be taken red handed justice would be frequently defeated unless the offence of receiving was put prominently forward. This is so much so that when a person is charged with theft there is always a second count added that he received the goods well knowing them to have been stolen. Then if the thief itself cannot be brought home to the prisoner he may be convicted on the second count

In all cases of receiving it must be proved first

of all that the goods etc. were taken out of the possession of the owner. Then if the stolen goods are found within a short period after the larceny in the possession of a person that person must show how he became possessed of them. The burden of proof (g.) is upon him. If he satisfies the court that he came by them honestly all well and good but if not he is guilty of a substantive felony

When stolen goods are found upon an accused person a search warrant (g.) may be obtained under which the law will authorise the dwelling place of the accused being searched in order to discover if possible any other property which may have been stolen

Under certain circumstances into which it is unnecessary to enter as it concerns practice and procedure a prisoner charged with receiving may be dealt with by a court of summary jurisdiction (g.)

RECEIVER'S NOTES.—When the affairs of an American railroad have passed into the hands of a receiver the receiver is empowered in certain cases to raise further capital by the issue of what are called Receiver's Notes

RECEIVING NOTES.—These are the documents which are addressed by a shipper to the chief officer of a ship requesting him to take on board certain specified goods

RECEIVING ORDER.—A bankruptcy petition results in what is called a 'receiving order' if the prayer of the petition is granted and the order will be made either on the petition of a creditor or of the debtor himself. The order deprives creditors of their remedies against the debtor. After it is made no creditor to whom the debtor is indebted in respect of any debt provable in bankruptcy has any remedy against the property or person of the debtor in respect of the debt nor can he commence any action or other legal proceedings unless with leave of the court and on such terms as the court may impose. Nevertheless a receiving order does not affect the power of any secured creditor to realise or otherwise deal with his security in the same manner as he would have been entitled to realise or deal with it had this part of the Bankruptcy Act not been passed. Further it does not operate as a stay of an action already commenced although it will prevent the plaintiff in such an action obtaining execution on his judgment. Nor does a receiving order enable a debtor to escape imprisonment for non-payment of trust moneys

Upon a receiving order being made the official receiver is constituted receiver of the debtor's property. He may also exercise the powers of an interim receiver if the court so orders and where there is an adjudication he is interim receiver until the trustee is appointed. Again if there is no adjudication or a vacancy in the office of trustee the official receiver can exercise the functions of the trustee. The fact that there is an Irish or Scotch bankruptcy in existence does not limit English jurisdiction to make a receiving order

A receiving order is prepared by the registrar. If made on a creditor's petition it must describe the nature and date of the alleged act of bankruptcy while it must also require the debtor to attend before the official receiver at the proper time. It is the duty of the official receiver to cause a copy of the order to be served on the debtor. The fact of a receiving order having been made is communicated to the Board of Trade by the proper officer and is then advertised.

If the act of bankruptcy upon which the receiving order is to be founded is failure to comply with the conditions of a bankruptcy notice, the court has no power to make the order if the bankrupt is taking steps to have the notice set aside. If the creditor who is seeking to have the order made is unsuccessful, he must bear the costs, but if an order is made, then the costs are to be taxed, and are payable out of the proceeds of the estate in the manner provided for by the rules.

Where application is made to the court for the committal to prison of a debtor who has made default in payment of any debt, or instalment of any debt due from him in pursuance of any order or judgment, the court may decline to commit, and in lieu thereof, with the consent of the judgment creditor, may make a receiving order against the debtor. In such a case the debtor is deemed to have committed an act of bankruptcy. An order in lieu of committal can only be applied for by a judgment creditor, and it cannot be made without proof of the debtor's means.

An appeal lies against a receiving order. The notice of appeal must be served, and the appeal must be actually set down for hearing within twenty-one days.

The circumstances in which a receiving order may be rescinded or annulled are briefly these: If it appears to the court by which such order was made, upon an application by the official receiver, or any creditor or other persons interested, that a majority of the creditors are resident in Scotland or Ireland, and that, from the situation of the property or other causes, his estate and effects ought to be distributed among the creditors under the Bankrupt Laws of Scotland or Ireland, the court, after such inquiry as to it shall seem fit, may rescind the receiving order and stay all proceedings on, or dismiss the petition upon such terms, if any, as the court may think fit. A receiving order will also be rescinded or annulled where the court sanctions a composition or scheme (See COMPOSITION OR SCHEME OF ARRANGEMENT).

Again, the court may rescind the order on the representation of the creditors, but it may decline to rescind if the official receiver opposes because he is not satisfied with the debtor's conduct. Amongst other things, the conduct of the debtor and the causes of his insolvency must be closely considered. An order was rescinded where the debtor's father had paid the creditors 10s in the £, and they had withdrawn their proofs and released the debtor, but rescission was refused although the debtor had paid the petitioning creditor's costs and debt, and had obtained his consent to the order being rescinded. It is a matter for the absolute discretion of the court in each particular case. In one case the court rescinded an order where the debtor was undischarged under three previous bankruptcies, in two of which he had himself petitioned with the view of evading committal orders. That was on the ground that the receiving order was an abuse of the process of the court.

The following are the sections of the Bankruptcy Act, 1883, which deal with the bankruptcy petition and the making of a receiving order—

Jurisdiction to make Receiving Order

"5 Subject to the conditions hereinafter specified, if a debtor commits an act of bankruptcy the Court may, on a bankruptcy petition being presented either by a creditor or by the debtor, make

an order, in this Act called a receiving order, for the protection of the estate

Conditions on which Creditor may Petition.

"6—(1) A creditor shall not be entitled to present a bankruptcy petition against a debtor unless—

"(a) The debt owing by the debtor to the petitioning creditor, or, if two or more creditors join in the petition, the aggregate amount of debts owing to the several petitioning creditors, amounts to fifty pounds; and

"(b) The debt is a liquidated sum, payable either immediately or at some certain future time; and

"(c) The act of bankruptcy on which the petition is grounded has occurred within three months before the presentation of the petition; and

"(d) The debtor is domiciled in England, or, within a year before the date of the presentation of the petition, has ordinarily resided or had a dwelling-house or place of business in England.

"(2) If the petitioning creditor is a secured creditor, he must, in his petition, either state that he is willing to give up his security for the benefit of the creditors in the event of the debtor being adjudged bankrupt, or give an estimate of the value of his security. In the latter case, he may be admitted as a petitioning creditor to the extent of the balance of the debt due to him, after deducting the value so estimated in the same manner as if he were an unsecured creditor.

Proceedings and Order on Creditor's Petition.

"7—(1) A creditor's petition shall be verified by affidavit of the creditor, or of some person on his behalf having knowledge of the facts, and served in the prescribed manner.

"(2) At the hearing the Court shall require proof of the debt of the petitioning creditor, of the service of the petition, and of the act of bankruptcy, or, if more than one act of bankruptcy is alleged in the petition, of some one or the alleged acts of bankruptcy, and, if satisfied with the proof, may make a receiving order in pursuance of the petition.

"(3) If the Court is not satisfied with the proof of the petitioning creditor's debt, or of the act of bankruptcy, or of the service of the petition, or is satisfied by the debtor that he is able to pay his debts, or that for other sufficient cause no order ought to be made, the Court may dismiss the petition.

Debtor's Petition and Order Thereon

"8—(1) A debtor's petition shall allege that the debtor is unable to pay his debts, and the presentation thereof shall be deemed an act of bankruptcy without the previous filing by the debtor of any declaration of inability to pay his debts, and the Court shall thereupon make a receiving order.

"(2) A debtor's petition shall not, after presentment, be withdrawn without the leave of the Court.

Effect of Receiving Order.

"9—(1) On the making of a receiving order an official receiver shall be thereby constituted receiver of the property of the debtor, and thereafter, except as directed by this Act, no creditor to whom the debtor is indebted in respect of any debt provable in bankruptcy shall have any remedy against the property or person of the debtor in respect of the debt, or shall commence any action or other legal

proceedings unless with the leave of the Court and on such terms as the Court may impose.

(2) But this Section shall not affect the power of any secured creditor to realise or otherwise deal with his security in the same manner as he would have been entitled to realise or deal with it if this Section had not been passed.

Discretionary Powers as to Appointment of Receiver and Stay of Proceedings

10—(1) The Court may if it is shown to be necessary for the protection of the estate at any time after the presentation of a bankruptcy petition and before a receiving order is made, appoint the official receiver to be interim receiver of the property of the debtor or of any part thereof and direct him to take immediate possession thereof or of any part thereof.

The official receiver may if necessary appoint a special manager of a debtor's estate to act until a trustee is appointed (Section 12).

Every receiving order must be gazetted and advertised in a local paper (Section 13).

Debtor's Statement of Affairs

16—(1) Where a receiving order is made against a debtor he shall make out and submit to the official receiver a statement of and in relation to his affairs in the prescribed form verified by affidavit and showing the particulars of the debtor's assets debts and liabilities the names residences and occupations of his creditors the securities held by them respectively the dates when the securities were respectively given and such further or other information as may be prescribed or as the official receiver may require.

(2) The statement shall be so submitted within the following times namely—

(i) If the order is made on the petition of the debtor within three days from the date of the order.

(ii) If the order is made on the petition of a creditor within seven days from the date of the order.

But the court may in either case for special reasons extend the time.

(3) If the debtor fails without reasonable excuse to comply with the requirements of this Section the Court may on the application of the official receiver or of any creditor adjudge him bankrupt.

(4) Any person stating himself in writing to be a creditor of the bankrupt may personally or by agent inspect this statement at all reasonable times and take any copy thereof or extract therefrom but any person untruthfully so stating himself to be a creditor shall be guilty of a contempt of Court and shall be punishable accordingly on the application of the trustee or official receiver (See BANKRUPTCY).

RECIPROCITY—This is a term which has been much used in the controversies which have arisen in modern times in connection with the tariff wars between nations. It signifies a species of arrangement between countries by which an agreement is arrived at that each will admit the goods of the other upon special terms although a high tariff may more or less exclude the goods of other countries. Although as stated above the question of reciprocity has come much into vogue in recent times, the principle was put forward in a prominent manner in the early part of the nineteenth

century especially in relation to shipping at the time when Mr. Huskisson who was a most strenuous advocate of the theory was President of the Board of Trade. He was strongly of opinion that the one way of fighting hostile foreign tariffs was by the imposition of retaliatory tariffs. It has been maintained that by the adoption of free trade (*q.v.*) Great Britain has placed herself in such a position that she can no longer bargain on the lines of reciprocity. This assumption led to the rise of the 'fair traders' people who were opposed to one-sided free trade and who have advocated retaliatory measures in order to bring about free trade in reality. There is no doubt that when free trade was adopted by Great Britain it was expected that other nations would follow suit and that he would be granted reciprocity in this way. As a matter of history this has not taken place. The majority of those who have favoured reciprocity and fair trade have now placed themselves under the banner of tariff reform (*q.v.*).

RECOGNISANCE—This is a legal term signifying an acknowledgment of a debt which is due to the Crown. When a case comes before a court of summary jurisdiction (*q.v.*) in the shape of a preliminary trial the witnesses who give their evidence and whose evidence is taken down in writing—the whole of the evidence forming what are called the depositions—are bound over in their own recognisances to appear and to give evidence at the assizes or the quarter sessions to which the prisoner is committed for trial. Again if a man goes bail for another he is bound over in recognisances to produce the body of the prisoner in due course for trial. A prisoner is frequently bound over in his own recognisances either to appear at some future time to take his trial or to keep the peace. All these constitute debts due to the Crown and they become due immediately if the conditions are not strictly fulfilled.

RECONSTRUCTION—A joint stock company may often find itself in a state of embarrassment through lack of capital or through other circumstances and may desire to expand its operations in various ways. Again there may be a desire to amalgamate with one or more other companies and thus merge several businesses into one new company. This is carried out by means of what is known as reconstruction. The old company is first of all wound up generally voluntarily and a new company is established. The old business is sold to the new company which is to be established and in order to effect this a power is sometimes inserted in the memorandum of association.

Another method is under Section 182 of the Companies (Consolidation) Act 1909 which replicates Sections 181 and 182 of the Companies Act, 1862. Very careful reference should be made to this section and its provisions most minutely studied. It is as follows—

(1) Where a company is proposed to be or is in course of being wound up altogether or voluntarily and the whole or part of its business or property is proposed to be transferred or sold to another company (in this section called the transferee company) the liquidator of the first mentioned company (in this section called the transferor company) may, with the sanction of a special resolution of that company conferring or an authority in respect of any particular arrangement to receive in compensation or part

compensation for the transfer or sale, shares, policies, or other like interests in the transferee company, for distribution among the members of the transferor company, or may enter into any other arrangement whereby the members of the transferor company may, in lieu of receiving cash, shares, policies, or other like interests, or in addition thereto, participate in the profits of or receive any other benefit from the transferee company.

"(2) Any sale or arrangement in pursuance of this section shall be binding on the members of the transferor company

"(3) If any member of the transferor company who did not vote in favour of the special resolution at either of the meetings held for passing and confirming the same, expresses his dissent therefrom in writing addressed to the liquidator, and left at the registered office of the company within seven days after the confirmation of the resolution, he may require the liquidator either to abstain from carrying the resolution into effect, or to purchase his interest at a price to be determined by agreement or by arbitration in manner provided by this section

"(4) If the liquidator elects to purchase the member's interest, the purchase money must be paid before the company is dissolved, and be raised by the liquidator in such manner as may be determined by special resolution

"(5) A special resolution shall not be invalid for the purposes of this section by reason that it is passed before or concurrently with a resolution for winding up the company, or for appointing liquidators, but, if an order is made within a year for winding up the company by or subject to the supervision of the court the special resolution shall not be valid unless sanctioned by the court

"(6) For the purposes of an arbitration under this section the provisions of the Companies Clauses Consolidation Act, 1845, or, in the case of a winding up in Scotland, the Companies Clauses Consolidation (Scotland) Act, 1845, with respect to the settlement of disputes by arbitration, shall be incorporated with this Act, and in the construction of those provisions this Act shall be deemed to be the special Act, and "the company" shall mean the transferor company, and any appointment by the said incorporated provisions directed to be made under the hand of the secretary, or any two of the directors, may be made under the hand of the liquidator, or if there is more than one liquidator then of any two or more of the liquidators"

As to "reconstruction" and "amalgamation," the head note of *In re South African Supply and Cold Storage Company*, 1904, 2 Ch 268, may be quoted: "Neither 'reconstruction' nor 'amalgamation' has any definite legal meaning. Each word is a commercial and not a legal term, and even as a commercial term has no exact definite meaning. Where an undertaking is being carried on by a company, and is in substance preserved and transferred not to an outsider but to another company, consisting substantially of the same shareholders, with a view to its being continued by the transferee company, that is a reconstruction, and it is none the less a reconstruction because all its assets do not pass to the new or resuscitated company, and all the shareholders of the transferor

company are not shareholders in the transferee company, and the liabilities of the transferor company are not taken over by the transferee company. To constitute 'amalgamation' there must be a blending of substantially two or more existing undertakings into one undertaking, the shareholders of each blending company becoming substantially the shareholders in the company which holds the blended undertakings, and there may be amalgamation either by the transfer of two or more undertakings to a new company, or by the transfer of one or more undertakings to an existing company. It is not necessary that a resolution for winding up should refer to 'reconstruction' or 'amalgamation,' in order to constitute a 'winding up for the purpose of reconstruction or amalgamation,' but the purpose of the winding up may be gathered from the whole of the circumstances which result in reconstruction or amalgamation"

RECONVEYANCE.—When land is mortgaged, the legal mortgage (*qv*), conveys the legal estate in the land from the mortgagor to the mortgagee. When, however, the debt which is created is repaid, the mortgagee transfers the land again to the mortgagor by means of what is called a reconveyance. But if there is no reconveyance, and after the mortgage debt has been repaid the mortgagor is in actual possession, he gets the legal estate re-vested in him after a period of twelve years by reason of the Statutes of Limitation (See **LIMITATION, STATUTES OF**)

Where land has been mortgaged to a building society, the receipt of the society on the mortgage deed itself acts as a reconveyance of the property mentioned in the deed. Such a reconveyance is exempt from stamp duty.

Where a mortgagor is entitled to redeem, he has, by virtue of the Conveyancing and Law of Property Act, 1881, power to require the mortgagee, instead of reconveying, to assign the mortgage debt and convey the mortgaged property to any third person.

In the case of an equitable mortgage, when the debt is repaid, no reconveyance is necessary. As a second mortgage is an equitable mortgage the same remark applies, but there should be an ordinary stamped receipt showing that the money has been repaid.

The stamp duty upon a reconveyance is sixpence for every £100, and fractional part of £100, of the total amount of the money at any time secured (See **MORTGAGE**)

RECORD, COURT OF.—(See **COURT OF RECORD**)

RECORDER.—This is a judicial officer, whose legal position is now concerned with criminal matters affecting the borough to which he is appointed. There are other matters, especially rating, which are referred to him by way of appeal. His ceremonial duties are few, the most important being that of reading the address of the borough to the Sovereign whenever a state visit is paid to the borough.

The recorder of a borough presides at quarter sessions (*qv*). He is appointed by the Crown on the advice of the Home Secretary. He must be a barrister of at least five years' standing. In practice, no barrister is appointed unless he is also a member of the circuit (*qv*) in which the borough is situated. The salaries of recorders vary greatly, and they are paid by the borough council. By the Municipal Corporation Act, 1882, the amount is fixed by the Home Secretary, but the sum must not exceed that which the council

THIS INDENTURE made the seventeenth day of October One thousand nine hundred and twelve

BETWEEN the within-named Alfred Brown of the one part and the within-named Charles Dixon of the other part

WITNESSETH that in consideration of all interest on the within-mentioned sum of £2000 having been paid up to the date of these presents and of the sum of £2000 now paid by the said Charles Dixon to the said Alfred Brown (the receipt whereof the said Alfred Brown doth hereby acknowledge as being in full discharge of all principal moneys and interest secured by or now owing under the within-written indenture) the said Alfred Brown AS MORTGAGEE doth hereby ASSIGN SURRENDER AND RELEASE unto the said Charles Dixon

ALL AND SINGULAR the hereditaments and premises comprised in or demised (1) by the within-written indenture or which are now by any means vested in the said Alfred Brown subject to redemption by virtue of the said indenture (2) to the intent that the term of years granted by the within-written indenture may merge in the term of years granted by the within-recited indenture of lease and become extinguished and that the said hereditaments and premises may henceforth be held by the said Charles Dixon his executors administrators and assigns discharged from the said sum of £2000 and the interest thereon and all moneys now or at any time owing on the security of the within-written indenture and from all charges claims and demands thereunder or otherwise nowsoever

IN WITNESS whereof the said parties hereto have hereunto set their respective hands and seals the day and year first above written

ALFRED BROWN

LS

CHARLES DIXON

LS

(1) If the mortgage was by assignment, substitute "assigned" for "demised"

(2) If the mortgage was by assignment, say
"TO HOLD the said hereditaments and premises hereby assigned unto the said Charles Dixon his executors administrators and assigns for all the residue now unexpired of the term of years granted by and subject to the rent and covenants by the lessee, reserved by and contained in the within-written indenture of lease"

certain of his ground, otherwise, if the £100 limit is not reached, there is always a danger as to the question of costs, even in case of success. When the case goes to trial either in the High Court or the County Court the landlord must prove his title and also that he is entitled to judgment for possession, either on the ground that the tenancy has terminated by effluxion of time or by notice, or that there has been a forfeiture. The tenant, after such a judgment, will be ejected by an officer of the law, though it is the common practice for the court to allow a certain number of days to elapse before the ejection takes place. The summary method in a police court is adopted where the annual rental of the premises does not exceed £20, and the term is for a period not exceeding seven years. In such a case the landlord may summon the tenant, after giving him seven clear days' notice, before the justices, and the justices are empowered to issue a warrant authorising the constable of the district to eject the tenant and to give possession to the landlord. When the warrant has been issued, the constable is only entitled to enter in and upon the premises between the hours of nine a.m. and four p.m. A warrant issued by the justices only remains in force for a period of three months. As to when the landlord seeks to obtain possession of premises which have been quitted by a tenant, but whose tenancy has not expired, see **DESERTED PREMISES**.

REDEMPTION OF MORTGAGE.—This signifies the repayment of the loan raised upon a mortgage and the consequent release of the property mortgaged to the mortgagor. (See **MORTGAGE**.)

RE-DISCOUNT.—Where a person has discounted a bill, he may, if he wishes to do so, discount it afresh with another person. (See **DISCOUNTING A BILL**.)

RED LETTER DAY.—This is a term often applied in business to those periods which are exceptionally memorable on account of the good fortune attending people at such a time, for example, when trade is particularly good, or when large profits are made upon stocks or shares on the Stock Exchange. The name is of ecclesiastical origin, being derived from the fact that in the old Anglican calendar the saints' days were indicated in two colours, those of the more important saints being in red, whilst those of the minor saints were in the ordinary black letter.

RE-DRAFT.—This signifies a second draft (*q.v.*) or second copy of anything. It is also a term applied to a new bill of exchange which the holder of a protested bill (*q.v.*) draws upon the drawer or the indorsers for the amount of the original bill, together with costs and charges. Another name sometimes given to a re-draft of this kind is a cross bill.

REDUCED ANNUITY.—The annuity upon which the rate of interest originally stipulated to be paid has been reduced in amount.

REDUCTION OF CAPITAL.—For various reasons, a company may find it necessary to reduce the amount of the liability to its members. The original Companies Act, 1862, made no provision whatever for such a procedure, successive statutes from 1867 to 1907, however, contained provisions allowing companies to adopt this course. These provisions will now be found in the Companies Act, 1908 (Secs. 40 and 46-56), Section 40, however, merely provides for a reduction of capital out of profits, which may be achieved by the sanction of

the shareholders in the form of a special resolution (*q.v.*), and a memorandum must be made to the registrar of joint-stock companies giving particulars of such reduction.

These Sections, 46-56, are so important that they are here set out *in extenso*—

Special Resolution for reduction of capital.

"46. (1) Subject to confirmation by the court, a company limited by shares, if so authorised by its articles, may by special resolution reduce its share capital in any way, and in particular (without prejudice to the generality of the foregoing power) may—

"(a) Extinguish or reduce the liability on any of its shares in respect of share capital not paid up, or

"(b) Either with or without extinguishing or reducing liability on any of its shares, cancel any paid-up share capital which is lost or unrepresented by available assets, or

"(c) Either with or without extinguishing or reducing liability on any of its shares, pay off any paid-up share capital which is in excess of the wants of the company,

and may, if and so far as is necessary, alter its memorandum by reducing the amount of its share capital and of its shares accordingly.

"(2) A special resolution under this section is in this Act called a resolution for reducing share capital.

Application to court for confirming order.

"47 Where a company has passed and confirmed a resolution for reducing share capital it may apply by petition to the court for an order confirming the reduction.

Addition to name of Company.

"48 On and from the confirmation by a company of a resolution for reducing share capital, or where the reduction does not involve either the diminution of any liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital, then on and from the presentation of the petition for confirming the reduction, the company shall add to its name, until such date, as the court may fix, the words 'and reduced,' as the last words in its name, and those words shall until that date, be deemed to be part of the name of the company.

"Provided that, where the reduction does not involve either the diminution of any liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital, the court may, if it thinks expedient, dispense altogether with the addition of the words 'and reduced.'

Objections by Creditors

"49.—(1) Where the proposed reduction of share capital involves either diminution of liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital, and in any other case if the court so directs, every creditor of the company who at the date fixed by the court is entitled to any debt or claim which, if that date were the commencement of the winding up of the company, would be admissible in proof against the company, shall be entitled to object to the reduction.

"(2) The court shall settle a list of creditors

so entitled to object and for that purpose shall ascertain as far as possible without requiring an application from any creditor the names of those creditors and the nature and amount of their debts or claims and may publish notices fixing a day or days within which creditors not entered on the list are to claim to be so entered or are to be excluded from the right of objecting to the reduction.

(7) Where a creditor entered on the list whose debt or claim is not discharged or determined does not consent to the reduction the court may if it thinks fit dispense with the consent of that creditor, on the company securing payment of his debt or claim by appropriating as the court may direct the following amount (that is to say)—

(i) If the company admits the full amount of his debt or claim or though not admitting it is willing to provide for it then the full amount of the debt or claim.

(ii) If the company does not admit or is not willing to provide for the full amount of the debt or claim or if the amount is contingent or not ascertained then an amount fixed by the court after the like inquiry and adjudication as if the company were being wound up by the court.

Order confirming reduction

50 The court if satisfied with respect to every creditor of the company who under this Act is entitled to object to the reduction that either his consent to the reduction has been obtained or his debt or claim has been discharged or has determined or has been secured may make an order confirming the reduction on such terms and conditions as it thinks fit.

Registration of order and minute of reduction

51—(1) The registrar of companies on production to him of an order of the court confirming the reduction of the share capital of a company and the delivery to him of a copy of the order and of a minute (approved by the court) showing with respect to the share capital of the company as altered by the order the amount of the share capital, the number of shares into which it is to be divided and the amount of each share and the amount (if any) at the date of the registration deemed to be paid up on each share shall register the order and minute.

(2) On the registration and not before the resolution for reducing share capital as confirmed by the order so registered shall take effect.

(3) Notice of the registration shall be published in such manner as the court may direct.

(4) The registrar shall certify under his hand the registration of the order and minute and his certificate shall be conclusive evidence that all the requirements of this Act with respect to reduction of share capital have been complied with and that the share capital of the company is such as is stated in the minute.

Minute to form part of Memorandum

52—(1) The minute when registered shall be deemed to be substituted for the corresponding part of the memorandum of the company and shall be valid and alterable as if it had been originally contained therein and must be embodied in every copy of the memorandum issued after its registration.

(2) If a company makes default in complying with the requirements of this section it shall be liable to a fine not exceeding one pound for each copy in respect of which default is made and every director and manager of the company who knowingly and wilfully authorises or permits the default shall be liable to the like penalty.

Liability of members in respect of reduced shares

53 A member of the company past or present shall not be liable in respect of any share to any call or contribution exceeding in amount the difference (if any) between the amount paid or (as the case may be) the reduced amount if any which is to be deemed to have been paid on the share and the amount of the share as fixed by the minute.

Provided that if any creditor entitled in respect of any debt or claim to object to the reduction of share capital is by reason of his ignorance of the proceedings for reduction or of their nature and effect with respect to his claim not entered on the list of creditors and after the reduction the company is unable within the meaning of the provisions of this Act with respect to winding up by the court to pay the amount of his debt or claim then—

(i) every person who was a member of the company at the date of the registration of the order for reduction and minute shall be liable to contribute for the payment of that debt or claim an amount not exceeding the amount which he would have been liable to contribute if the company had commenced to be wound up on the day before that registration and

(ii) if the company is wound up the court on the application of any such creditor and proof of his ignorance as aforesaid may if it thinks fit settle accordingly a list of persons so liable to contribute and make and enforce calls and orders on the contributories settled on the list as if they were ordinary contributories in a winding up.

Nothing in this section shall affect the rights of the contributories among themselves.

Penalty on concealment of name of Officer

54 If any director, manager or officer of the company wilfully conceals the name of any creditor entitled to object to the reduction or wilfully misrepresents the nature or amount of the debt or claim of any creditor or if any director or manager of the company aids or abets in or is privy to any such concealment or misrepresentation as aforesaid every such director, manager or officer shall be guilty of a misdemeanour.

Publication of reasons for reduction

55 In any case of reduction of share capital the court may require the company to publish as the court directs the reasons for reduction or such other information in regard thereto as the court may think expedient with a view to give proper information to the public and if the court thinks fit the causes which led to the reduction.

Increase and reduction of share capital in case of a company limited by guarantee

56 A company limited by guarantee and registered on or after the first day of January nineteen hundred and one may if it has a share

capital, and is so authorised by its articles, increase or reduce its share capital in the same manner and subject to the same conditions in and subject to which a company limited by shares may increase or reduce its share capital under the provisions of this Act."

After obtaining confirmation by the court, and if authorised by its articles, a company is entitled by special resolution to reduce its share capital in any way in either of the following forms—

(1) By extinguishing or reducing the liability on any of its shares. In respect of share capital not paid up: as, for example, assuming a company to have certain undistributed profits, it may apply those profits, should the shareholders so determine, to extinguish a part or whole of the unpaid-up capital, the shares being allowed to rank as fully paid.

(2) Again, assuming the company to have lost certain of its assets by the same process, it is possible to cancel any of its paid-up share capital, or a portion of it, to the extent represented by the lost or depreciated value of any assets.

(3) It is possible to refund any of the paid-up share capital, which may be in excess of the company's needs, this may be effected without extinguishing or in any way reducing the liability of its members on any particular class of share or classes of shares.

To effect any of those alterations, it will be necessary to alter its memorandum of association to the extent to which its share capital or the nominal value of its shares has been reduced.

In every instance where it is sought to effect a reduction of capital under the sections above-named, it becomes necessary to pass a special resolution in the manner prescribed by the statutes and the company's articles of association. After the passing of such resolution, the company is to petition the court for an order to confirm the reduction.

The minute or copy of the resolution embodying a reduction of capital must be given to the registrar of companies with the prescribed notice of reduction. This minute or special resolution will be substituted for that portion of the memorandum of association dealing with the company's share capital, or such portion thereof as may be affected; and every subsequent copy of the memorandum issued for circulation in the manner prescribed must contain a copy of the resolution or minute. Any neglect to conform to this last restriction imposes a penalty on the company of £1 for every copy of the memorandum of association circulated, in which the special resolution effecting reduction is not included.

Companies limited by guarantee are now empowered by Section 56 of the Companies Act, 1908, to employ the same provisions for reducing capital, as are provided for by companies limited by shares.

In winding up, any person who is a creditor of the company at the commencement of the winding up and entitled to lodge a proof of debt against the company, is entitled to object to a proposal for reduction, assuming the process of reduction to be incomplete at the date of commencing liquidation.

Effect on Accounts. When the proper judicial sanction has been obtained for the reduction of a company's capital and the necessary formalities with the Board of Trade have been attended to as outlined above, the consequent adjustments must be made in the financial books affected. Thus assuming that an instance analogous to case (2), quoted above, has arisen, and a given company finds itself unable to maintain its former rate of dividends and also that certain of its assets have diminished in value, it has been found expedient to write off an amount from certain of its assets to correspond with a reduction in ordinary share liability by altering the nominal value of each from £1 to 15s to rank as fully paid. The balance sheet gave—

<i>Liabilities</i>		<i>Assets</i>	
	£ s. d.		£ s. d.
Ordinary Share Capital—		Freehold Property	25,000 0 0
50,000 Ordinary Shares of £1 each,		Plant and Machinery	42,000 0 0
fully paid	50 000 0 0	Investments	10,000 0 0

After the confirmation by the court of any reduction of capital, assuming it does not involve a decrease in the nominal liability to its members, the company is required to affix the words "and reduced" after its title, these words are to remain for such time as the court may prescribe. The addition of these words will be considered as part of the title of the company, the court may, however, at its discretion, dispense with the requirement as to the addition of these words.

The petition to the court must set out the full history of the company, giving full particulars as to its capital liability from time to time since incorporation, stating precisely the position of its assets and liabilities at the time of the petition, and, further, stating as fully as possible the reasons or objects for which it is desired to effect the proposed reduction. If the petition is granted, the court may require the company to publish the reasons or the objects for reducing the share capital.

It was proposed to depreciate the book values as to Freehold Property, £3,000, Plant and Machinery, £8,000, and Investments by £1,500, or £12,500 in all, which represented the difference of 5s per share on the 50,000 shares. The following entry was necessary—

	£	s	d
Ordinary Share Capital issued	12,500	0	0
To Sundries—			
Freehold Property	3,000	0	0
Plant & Machinery	8,000	0	0
Investments	1,500	0	0
As per Special Resolution passed in General Meeting on	12,500	0	0
19.	12,500	0	0

The position of affairs shown by the books was then as given on next page.

MEMORANDUM OF AGREEMENT made the _____ day of _____
BETWEEN A of etc of the one part and B of etc of the
other part

WHEREAS disputes and differences have arisen and are still
subsisting between the said A and B relative to (state in full
detail all the matters which are in dispute)

NOW IT IS HEREBY AGREED that the said disputes and differ-
ences and all matters in difference between the said parties
which now exist or may arise at any time before the last ten days
immediately preceding the day which shall be appointed by the
arbitrators hereinafter mentioned for the first sitting in the
arbitration shall be referred and the same are hereby referred
to the arbitration and determination of C of etc an arbitrator
nominated by the said A and D of etc an arbitrator nominated by
the said B or in case they shall not agree in making an award or
in determining any matter or matters hereby referred to them then
as regards the matter or matters as to which there shall be such
disagreement to the umpirage of such person as the said arbi-
trators shall in writing under their hands before they enter on
the business of the reference appoint

PROVIDED that the said arbitrators make and publish their
award in writing signed by them concerning the matters referred
ready to be delivered to the said parties on either of them or
if they or either of them shall be dead before the making of the
award to their or his personal representatives who shall require
the same on or before the _____ day of _____ next or
on or before any subsequent day not later than the _____
day of _____ next to which the said arbitrators shall by
writing from time to time enlarge the time for making the
said award

AND SO as the said umpire make and publish his award in
writing signed by him concerning the matters referred to him
ready to be delivered as aforesaid within _____ days after
the original or extended time appointed for making the award
of the said arbitrators shall have expired on or before any
subsequent day not being more than _____ days from such
last-mentioned time to which the said umpire shall by any
writing signed by him enlarge the time for making his award

AND THAT the award or determination which shall be made by
the said arbitrators or umpire shall be final and binding upon
the said parties hereto respectively and their respective
executors administrators and assigns so as such arbitrators shall
make their award in writing within _____ days after the
reference to them on or before any later day to which the said
arbitrators by any writing signed by them shall enlarge the time
for making their award and so as such umpire shall make his award
or determination in writing within _____ days next after
the original or extended time appointed for making the award of

the said arbitrators shall have expired or on or before any later day to which the umpire by any writing signed by him shall enlarge the time for making his award

AND ALSO that no action or legal proceedings shall be commenced or prosecuted by either of the said parties hereto or by his executors administrators or assigns against the other of them his executors administrators or assigns touching any of the said matters in difference unless the party to be made defendant to such action or proceedings shall have refused or neglected to refer such matters to arbitration pursuant to the provision hereinbefore contained or unless the time limited for making such award as aforesaid shall have expired without any such award being made

AND ALSO that the respective parties to such reference and all persons claiming through them respectively shall submit to be examined by the said arbitrators or umpire upon oath or affirmation in relation to the matters in dispute and shall produce before the arbitrators or umpire all books deeds papers accounts writings and documents within the possession or power of the said respective parties which may be required or called for and do all other things which during the proceedings on the said reference the said arbitrators or umpire may require

AND THAT the witnesses on the reference shall if the arbitrators or umpire shall think fit be examined on oath or affirmation

AND THAT the costs of the reference and the award shall be in the discretion of the arbitrators or umpire who may direct to and by whom and in what manner the same or any part thereof shall be paid and with power to tax or settle the amount of costs to be so paid or any part thereof and to award costs to be paid as between solicitor and client

AND THAT this submission to reference and any award made in pursuance thereof may at the instance of either of the parties and without any notice to the other of them be made a rule or order of the

Division of the High Court of Justice
IN WITNESS whereof the parties hereto have set their hands
this day of

A.

B.

Liabilities	£	s	d
To Ordinary Share Capital paid up— \$3 000 Shares at 15s each	37 500	0	0

Assets	£	s	d
By Freehold Property	22 000	0	0
Furniture and Machinery	34 000	0	0
Investments	8 500	0	0

The directors in their next annual report following this alteration would refer to the modified sum in the balance sheet.

RE EXCHANGE.—In the case of a bill which has been dishonoured abroad it is provided by the Bills of Exchange Act 1882 Section 57 Sub-Section 1 that the holder may recover from the drawer an indorser and the drawer or an indorser who has been compelled to pay the bill may recover from any party liable to him the amount of the re-exchange with interest thereon until the time of payment. Where a bill which has been drawn or issued in one country is dishonoured in another the method of calculating the re-exchange is to ascertain the sum for which a bill at sight at the prevailing rate of exchange drawn at the time and place of dishonour or the place where the drawer or the indorser resides can be obtained so as to redress at the place of dishonour the amount of the dishonoured bill together with the cost of protest and commission the postage and all other expenses connected with the dishonour.

RE EXPORTATION.—This is the act of exporting goods from a country into which they have been of all imported.

REFUSE TO DRAWER.—When the account of a customer is not such as to justify a banker in paying the cheque drawn by the customer as for example when there are not sufficient funds to meet the amount of the cheque and no arrangement has been made as to an overdraft it is the practice of the banker to write the words "refer to drawer" in the abbreviated form R/D on the face of the cheque. This will happen whether the cheque is cashed in at the counter of the bank or passed through the Clearing House. If the refusal of payment is really insufficiency of funds standing to the credit of the customer the banker may use the words "not sufficient" or the abbreviated form N/S but the milder intimation is considered preferable.

Refer to drawer or its abbreviated form should never be used if the banker a refusal to pay the cheque is based upon some ground other than insufficiency of funds such as indorsement irregular amount drawn post-dated cheque orders to pay etc.

REFEREE.—The person who is chosen to decide upon some matter which is in dispute between contending parties.

In many contracts which are entered into now it is customary to insert a clause by which any dispute is to be decided by arbitration. This is so that the parties themselves choose the referee or arbitrator or take such other steps as are provided for by the terms of the contract. Generally it is agreed that each side shall appoint an arbitrator and the two arbitrators shall have the right to select an umpire if they cannot come to a settlement.

In other cases the referee is appointed by the court and there are three Official Referees (or Referees) of the High Court with practically all

the powers of a judge to whom matters of account are compulsorily transferred. (See ARBITRATION.)

REFERENCE IN CASE OF NEED.—The person to whom the holder of a bill of exchange may apply in case of the bill being dishonoured by non-acceptance or by non-payment (See ACCEPTOR FOR HONOUR). No liability attaches to the referee in case of need until he has accepted for honour.

By the Bills of Exchange Act 1882 Section 15 The drawer of a bill and any indorser may insert therein the name of a person to whom the holder may resort in case of need that is to say in case the bill is dishonoured by non-acceptance or non-payment. Such person is called the referee in case of need. It is in the option of the holder to resort to the referee in case of need or not as he may think fit.

The name of the referee may be inserted in the bill by the drawer or any indorser and it is usually put in the left hand bottom corner of the bill thus:

In case of need apply to the A & B Bank Leeds or In case of need apply to the A & B Bank Leeds or In need with the A & B Bank Leeds

REFREE OFFICIAL.—(See OFFICIAL REFEREE.)

REFEREE'S COURT.—This is a court constituted by the standing orders of the House of Commons and composed of the Chairman of Ways and Means and three other persons nominated by the Speaker. The business of the court is to report on private bills (q.v.). Three of the members are sufficient to form a quorum (q.v.) but in any case the chairman must be a member of the House of Commons.

REFERENCE.—This word is used in different senses.

(1) It signifies the act of making a comparison between two or more different things.

(2) In a legal sense it denotes that where a case consists of complicated accounts the whole proceedings are referred to some special officer of the court generally to one of the Official Referees in the High Court and to the Registrar in County Courts.

(3) When a person is being engaged in a particular service or where business transactions are being entered into for the first time inquiries are often made by one or other of the parties as to the commercial standing, the financial ability and the general character of the other from third parties who are acquainted with them. The name reference is applied either to the person who answers the inquiries or to the document in which the answers are contained. In the latter case however where the reference signifies the communication itself the same may be made verbally. But if a false reference is given the person deceived has no right of action for deceit (q.v.) unless the statement is made in writing.

REFERENCE IN CASE OF NEED.—This is a term used in banking practice. If a bill has been accepted payable at a certain bank in London and another London bank has been requested by a country bank to return (q.v.) the bill the second bank sends a

request to the first bank to refer the bill to it (the second bank) for payment. The note or intimation sent is contained in what is called a "reference slip," *i.e.*, a slip which contains a description of the bill. When the bill is sent by the first bank to the second bank in accordance with the request, the reference slip should be attached to the bill.

REFUND.—To repay

REGISTERED BONDS.—These are bonds which are registered in the name of the holder in the books of the company or the State issuing the same, as a protection against loss or theft. Such bonds are payable only to the person named therein. Bearer bonds, on the other hand, are payable to the bearer of the same, and pass from hand to hand by mere delivery. Bearer bonds are negotiable instruments; registered bonds are not.

REGISTERED CAPITAL.—This is the capital of a company which is authorised by its memorandum of association. In addition to "registered," the capital is also known as "nominal" and "authorised" (See **CAPITAL**).

REGISTERED LETTERS.—These are letters which are insured at the post office from which they are sent, and for which in case of loss or destruction the sender can claim compensation. They are always handed over the counter of the post office, and a receipt is given for them. Special care is taken as to their despatch, and they are only delivered upon a special receipt being signed by the addressee or his agent. Letters may be registered for varying amounts according to the value of their contents (See **POST**).

REGISTERED OFFICES, COMPANIES'.—Very important and stringent regulations are contained in the Companies Act with regard to registered offices of companies. In the first place, all companies limited by shares are required to state in their Memorandum of Association (Sec 3 (i) and (ii)) the part of the United Kingdom, that is, whether England, Scotland, or Ireland—Wales in this matter being considered part of England—in which the company will be domiciled, and where its registered office is situated. Then again, in Part III of the Act (Sec 62), the part dealing with the management and administration, every company is required to have a registered office where all communications, notices, or documents may be addressed or delivered, and further, that notice of the situation of the registered office or of any change thereof, is to be given to the Registrar at Somerset House. Suitable forms for the purpose of registering the office of a company can be obtained from all law stationers, and the notification can only be made on the properly prescribed forms. A penalty not exceeding £5 per day is inflicted on the company for failure to comply with the requirements under this Section.

The name of every company is to be fixed in full in a prominent part at the entrance to its registered office. The statute by Section 63 requires all companies "to paint or affix"; this is, however, almost universally carried out by securing a brass plate bearing the company's full registered title, with the legend "Registered Office" immediately below it. The Section, moreover, enacts that the name shall be placed "in a conspicuous position, in letters easily legible." Penalties are here inflicted also if a company is liable to a fine not exceeding £5 for failing to exhibit its name in the manner prescribed and for every day during which the name is

not affixed, each director and manager of the company who knowingly and wilfully authorises the default is liable to the same penalty. Presumably the company is liable to the sum of £5, whilst the officers named are rendered liable to the extent of that amount per day.

In addition to these requirements relating to the registered office, companies are required to have affixed at each place of business the full name of the company in plain, legible letters, and in a prominent position at the principal entrance to each place of business. Writs and all summonses must be served only at the registered office, it will not suffice to serve these at any other place owned by the company either for civil or criminal proceedings. If a company has failed to comply with the requirements of the Act as to registration of its principal place of business, application must be made to the court for instruction as to how service of writs or summonses is to be made.

Registers of members and registers of mortgages are required to be kept at the registered office, where they are to be open to the inspection of the public under certain conditions. In the case of banking and insurance companies, the balance sheet is to be exhibited in a conspicuous place at the company's registered office and also at every branch establishment.

REGISTERED STOCK.—This is stock which is registered in the owner's name in the company's register of members. It can be transferred to another person only upon a document of transfer being duly executed by the registered holder. The dividends upon the stock are paid by means of warrants sent out from the company's office. In the case of bonds which are payable to bearer, there is no registered owner, and the bonds pass from one person to another by simple delivery. The interest upon the bonds is paid by means of the coupons which are attached to the bonds.

Several corporation stocks are transferred by book entry under the "inscribed stock" regulations, though their titles do not indicate that they are inscribed stocks (*q.v.*).

REGISTER OF COMPANIES.—(See **REGISTRAR OF COMPANIES**).

REGISTER OF DEBENTURE HOLDERS.—Registers are now required to be kept by joint-stock companies as to debentures issued by them, and these must be open to the inspection of the public under certain conditions. Provision is made as to this register by the Companies (Consolidation) Act, 1908, Section 102, as follows—

"(1) Every register of holders of debentures of a company shall, except when closed in accordance with the articles, during such period or periods (not exceeding in the whole thirty days in any year) as may be specified in the articles, be open to the inspection of the registered holder of any such debentures, and of any holder of shares in the company, but subject to such reasonable restrictions as the company may in general meeting impose, so that at least two hours in each day are appointed for inspection, and every holder may require a copy of the register or any part thereof on payment of sixpence for every one hundred words required to be copied.

"(2) A copy of any trust deed for securing any issue of debentures shall be forwarded to every holder of any such debentures at his request on payment, in the case of a printed trust deed, of the sum of one shilling or such less sum

as may be prescribed by the company or where the first deed has not been printed on payment of stipend for every one hundred words required to be copied.

(3) If inspection is refused or a copy is refused or not forwarded the company shall be liable to a fine not exceeding five pounds and to a further fine not exceeding two pounds for every day during which the refusal continues and every director, manager, secretary or other officer of the company who knowingly authorises or permits the refusal shall incur the like penalty.

REGISTER OF DIRECTORS—The statutory requirements as to the register of directors are contained in the Companies (Consolidation) Act 1908 Section 73 which is as follows:—

(1) Every company shall keep at its registered office a register containing the names and addresses and the occupations of its directors or managers and send to the registrar of companies a copy thereof and from time to time notify to the registrar any change among its directors or managers.

(2) If default is made in compliance with this section the company shall be liable to a fine not exceeding five pounds for every day during which the default continues and every director and manager of the company who knowingly and wilfully authorises or permits the default shall be liable to the like penalty.

REGISTER OF MEMBERS—This is one of the statutory books required to be kept by all companies registered under the Companies Acts. Its scope will range from a book of modest dimensions, which may also comprise space for allotment list, transfer register and dividend list all within the space of one binding. On the other hand in the case of some of the largest companies the register of members may comprise a set of huge volumes (probably different sets to represent various classes of capital. In some cases where the number of shareholders amounts to many thousands, the register may be extended to as many as a score of volumes these should be sub-divided into two or three groups representing preference ordinary or deferred shares as the case may be but in such cases a general index on an alphabetical plan will also be kept which will give immediate reference to the holding of any individual shareholder. Provision will be made in this index to show his or her holding in the various classes of shares and probably of debentures as well.

Statutory Requirements—The Companies Acts do not provide for any specified form of register though for the most part law stationers stock the books with suitable rubrics for companies of moderate dimensions. In any case to comply with Section 25 of the Companies (Consolidation) Act 1908 all companies are compelled to keep in a book or books a register of its members. Such books are to show:—

(1) The names addresses and (if any) occupations or descriptions of its members, together with the holding of every member, the amount paid or agreed to be considered as paid on those shares.

(2) The date when each person is registered as a member.

(3) The date upon which any person ceases to be a member.

It is important to note here that in regard to (1)

and (2) the date upon which a person is said to become a member is when an entry is made upon the register so that usually if a man was to purchase shares which have been offered for subscription upon a given date and his name does not appear upon the register until a month after he is not in effect regarded as a member until such entry takes place. Similarly where a person disposes of his holding in a company by deed of transfer the entry is not made until a month after the completion of the deed and its registration in the register of transfers. If the entry into the register of members is delayed the transferor does not cease to be a member until such entry is made. It is obvious from this that undue delay in entering transactions into this important book may lead to very serious consequences. An exception may be made in regard to signatures to a memorandum of association because in the case membership is deemed to commence actually from the moment the company receives its certificate of incorporation. It is usual however to enter the names of the signatories in the register in priority to others.

Inspection—Every company is required to keep its register of members open for a period of not less than two hours on each of its ordinary days of business. Inspection is to be allowed to members of the company gratuitously and any member of the public may exercise the right to inspect the register on payment of a sum not exceeding 1s. If in the early stages of the company's career the register has not been completely written up the members or the public may upon the same terms inspect the list of allotments. In addition to the right to inspect any person may upon request obtain a copy of a portion of the register including names addresses descriptions or occupations of every member and the number and descriptions of shares held by each. The company may demand a sum not exceeding 6d. per 100 words or part of 100 words each figure counting as one word.

Severe penalties are attached to the non-observance of these provisions for the non-compliance of the register. If permission to inspect is withheld the directors incur the liability to a penalty of £5 and a further penalty of £2 for every day whilst this permission is withheld. The company is however liable for the penalties.

Closing of Registers—For the purpose of adjusting and agreeing the registers of members at such times as compiling the annual list and summary (p. 1) and for dividend lists, the Companies (Consolidation) Act by Section 31 requires any company which may desire to do so to give notice by means of advertising in some prominent newspaper circulated in the district in which the company's registered office is situated. The Section further provides that the registers may be closed for a period or periods not exceeding thirty days in any one year.

Whilst the registers are so closed no transfers will be received for registration but it is customary with most companies to receive any transfers submitted for registration and give the usual form of receipt but they will be held over until the registers are again opened according to the date given in the prescribed announcement.

Trusts—A very important provision is contained in Section 27 of the Companies Act which forbids the officials of any company to enter upon its register of members any trust expressed implied, or constructive. This prohibits the registration of any shares purporting to be held in trust for the

REGISTER OF MEMBERS AND SHARE LEDGER

Dr Name, Brown, Henry

Address, 5, Bucklersbury, London, E.C.

Description, F.C.A

C7

Shares Disposed of				Cash Account						Shares Acquired							
Trans- fer Deed No	Date of Entry	Distinctive Nos. of Shares (exclusive).		Amount paid upon Shares	Amounts Due			Amounts Paid			Date of Entry	No of Allotment of Shares	Distinctive Nos., (incl)		Amount Paid up	Certifi- cate No	
		From	To		Date when Due	Calls, etc	Amount of Call, etc	Date of Pay- ment	For	Amount			From	To			
359	19 th Oct. 10	19,501	19,550	50	0	0	19 Jan 1 May 1	Application & Allotment Final Call	25 25 50 100	0 0 0 0	19	100	19,501	19,600	100	0	957

SUPPLEMENTARY MEMBERS' REGISTER, FORMING INDEX TO SHARE LEDGERS, ARRANGED UNDER VOWEL INDEXES

Shareholder's Name	Address	Occupation or Description	Share Register Accounts and Holdings					Date of Ceasing to be a Member
			Preference Register and Folio	Preference Shares Held	Ordinary Register and Folio	Ordinary Shares Held	Deferred Ordinary Share Register and Folio	

estate of any deceased person but where a share holder dies and his holding in the company remains an entry is made to the effect that his death occurred at such a time according to the probate of will or letters of administration which had been exhibited to the company a officials by the deceased representatives (See TRANSMISSIONS OF SHARES)

Rectification of Register If any person feels justified in the absence of sufficient cause being shown to the contrary it is permissible to apply the court to have an entry made in the register or a name omitted from it as the case may be (Companies Act, 1908 Sec 32)

Colonial Registers If a company whose objects embodied in its memorandum of association provide for the carrying on of business in any given colony and where provision is also made in the company's articles it is permissible by Sections 34 35 and 36 of the Companies Act 1908 to maintain a register of members which will contain only those shareholders resident in the particular colony in which the branch register is kept but particulars of all entries made in such Colonial registers must be sent to the registered office of the company in the United Kingdom and this should be done in time for inclusion in the annual list and summary to be deposited at Somerset House

The provisions of the Companies (Consolidation) Act 1908 as to other registers having been set out in full it has been thought advisable to supplement the above by giving the exact words of the statute as to the register of members They are as follows—

Register of Members

25—(1) Every company shall keep in one or more books a register of its members and enter therein the following particulars—

(i) The names and addresses and the occupations if any of the members and in the case of a company having a share capital a statement of the shares held by each member distinguishing each share by its number and of the amount paid or agreed to be considered as paid on the shares of each member

(ii) The date at which each person was entered in the register as a member

(iii) The date at which any person ceased to be a member

(2) If a company fails to comply with this Section it shall be liable to a fine not exceeding five pounds for every day during which the default continues and every director and manager of the company who knowingly and wilfully authorises or permits the default shall be liable to the like penalty

Annual List of Members and Summary

26—(1) Every company having a share capital shall once at least in every year make a list of all persons who on the fourteenth day after the first or only ordinary general meeting in the year are members of the company and of all persons who have ceased to be members since the date of the last return or (in the case of the first return) of the incorporation of the company

(2) The list must state the names addresses and occupations of all the past and present members therein mentioned and the number of shares held by each of the existing members at the date of the return specifying shares transferred since the date of the last return or

(in the case of the first return) of the incorporation of the company by persons who are still members and have ceased to be members respectively and the dates of registration of the transfers and must contain a summary distinguishing between shares issued for cash and shares issued as fully or partly paid up otherwise than in cash and specifying the following particulars—

(a) The amount of the share capital of the company and the number of the shares into which it is divided

(b) The number of shares taken from the commencement of the company up to the date of the return

(c) The amount called up on each share

(d) The total amount of calls received

(e) The total amount of calls unpaid

(f) The total amount of the sums (if any) paid by way of commission in respect of any shares or debentures or allowed by way of discount in respect of any debentures since the date of the last return

(g) The total number of shares forfeited

(h) The total amount of shares or stock for which share warrants are outstanding at the date of the return

(i) The total amount of share warrants issued and surrendered respectively since the date of the last return

(j) The number of shares or amount of stock comprised in each share warrant

(k) The names and addresses of the persons who at the date of the return are the directors of the company or occupy the position of directors by whatever name called and

(m) The total amount of debt due from the company in respect of all mortgages and charges which are required (or in the case of a company registered in Scotland which, if the company had been registered in England would be required) to be registered with the registrar of companies under this Act or which would have been required so to be registered if created after the first day of July nineteen hundred and eight

(3) The summary must also (except where the company is a private company) include a statement made up to such date as may be specified in the statement in the form of a balance sheet audited by the company's auditors and containing a summary of its share capital its liabilities and its assets giving such particulars as will disclose the general nature of those liabilities and assets and how the values of the fixed assets have been arrived at but the balance sheet need not include a statement of profit and loss.

(4) The above list and summary must be contained in a separate part of the register of members and must be completed within seven days after the fourteenth day aforesaid and the company must forthwith forward to the registrar of companies a copy signed by the manager or by the secretary of the company

(5) If a company makes default in complying with the requirements of this Section it shall be liable to a fine not exceeding five pounds for every day during which the default continues and every director and manager of the company who knowingly and wilfully authorises or permits the default shall be liable to the like penalty

Trusts not to be Entered on Register.

"27 No notice of any trust, expressed, implied, or constructive, shall be entered on the register, or be receivable by the registrar, in the case of companies registered in England or Ireland

Registration of Transfer at Request of Transferor.

"28 On the application of the transferor of any share or interest in a company, the company shall enter in its register of members the name of the transferee in the same manner and subject to the same conditions as if the application for the entry were made by the transferee

Transfer by Personal Representative

"29 A transfer of the share or other interest of a deceased member of a company made by his personal representative shall, although the personal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer

Inspection of Register of Members.

"30—(1) The register of members, commencing from the date of the registration of the company, shall be kept at the registered office of the company, and, except when closed under the provisions of this Act, shall during business hours (subject to such reasonable restrictions as the company in general meeting may impose, so that not less than two hours in each day be allowed for inspection) be open to the inspection of any member gratis, and to the inspection of any other person on payment of one shilling, or such less sum as the company may prescribe, for each inspection

"(2) Any member or other person may require a copy of the register, or of any part thereof, or of the list and summary required by this Act, or any part thereof, on payment of sixpence, or such less sum as the company may prescribe, for every hundred words or fractional part thereof required to be copied

"(3) If any inspection or copy required under this section is refused, the company shall be liable for each refusal to a fine not exceeding two pounds, and to a further fine not exceeding two pounds for every day during which the refusal continues, and every director and manager of the company who knowingly authorises or permits the refusal shall be liable to the like penalty, and as respects companies registered in England or Ireland, any judge of the High Court, or the judge of the court exercising the stannaries jurisdiction in the case of companies subject to that jurisdiction, may by order compel an immediate inspection of the register.

Power to Close Register

"31 A company may, on giving notice by advertisement in some newspaper circulating in the district in which the registered office of the company is situate, close the register of members for any time or times not exceeding in the whole thirty days in each year "

REGISTER OF MORTGAGES.—For the protection of the general creditors and shareholders of limited companies, the Companies (Consolidation) Act, 1908 (Sec 100), requires every company to keep a register of mortgages containing information of all mortgages and such charges which specifically

affect any or all of the property of a company. A brief description of all the property so mortgaged is to be given in the register, as well as the amount of the mortgage raised, and, except where the debenture bonds are issued to bearer, the names of the mortgagees or persons representing them, such as, for instance, the trustees for a body of debenture holders

All officers of the company who "knowingly and wilfully authorise or permit" any default in connection with the above requirements are liable to a penalty of not exceeding £50, that is, they are severally liable, not jointly. The register is open to the inspection of any person on payment of a fee not exceeding 1s for each inspection, and any creditor or member of the company is entitled to examine the copies of the instruments creating any mortgage without payment of a fee. The register is to be open for inspection at all reasonable times in other words, it may be inspected during the ordinary business hours of the company. For refusing inspection of either the register or copies of the instruments, any officer so refusing or authorising such refusal incurs the liability of a fine not exceeding £5, and a further fine not exceeding £2 for every day whilst such refusal continues. Any judge of the High Court sitting in Chambers has power to order the immediate inspection of the registers or copies of the above-named documents

The register of mortgages itself is generally compiled in a form approved of by the authorities and sold at most of the law stationers, and properly bound to withstand rough usage

If no trust deed is issued to cover a series of debentures, it becomes necessary to enter into the register each of the bonds under their numerical rotation, but, as a general rule, it will be found that a series in circulation will invariably be covered by a trust deed, in which case it merely becomes necessary to enter in the particulars contained in the deed, setting out the date and number of the minute creating the charge, the amount of the debentures in full, the nominal amount of each of the bonds representing the series, and the date when filed with the registrar of joint stock companies. Particulars of the property or assets of the company must also be given as fully, yet as concisely, as possible. If freehold property is comprised under the property charge, the situation or situations of the property should be noted, finally, the names of the mortgagees or the trustees for the mortgagees must be given in the manner shown on the next page

REGISTER OF SHIPS.—(See SHIP-MORTGAGE)

REGISTER OF TRANSFERS.—(See TRANSFER REGISTER)

REGISTRAR IN BANKRUPTCY.—This important official occupies a prominent place in all bankruptcy proceedings, whether he is attached to the High Court or is a registrar appointed to one of the districts in the provinces. His position is dealt with in Section 99 of the Bankruptcy Act, 1883, as follows—

"(1) The registrars in bankruptcy of the High Court, and the registrars of a county court having jurisdiction in bankruptcy, shall have the powers and jurisdiction in this Section mentioned, and any order made or act done by such registrars in the exercise of the said powers and jurisdiction shall be deemed the order or act of the Court

"(2) Subject to general rules limiting the

of corporate existence. And in particular the work of the promoter (*qv*) requires most careful consideration. As soon as he has concluded all his arrangements preparatory to taking over an existing business or property, if the company to be formed is one which is intended to continue and to carry on an existing business or to acquire property, and when the memorandum and the articles of association have been properly prepared and each of these documents duly stamped with a ten shilling deed stamp, it is necessary for some person who is engaged in the work of the promotion to take the memorandum and the articles to the Registrar of Joint Stock Companies. If the company is domiciled (*qv*) in England, the place for the presentation of these documents is at Somerset House, in London. Scotch companies are registered in Edinburgh, and Irish companies in Dublin. As to the memorandum and the articles it is to be borne in mind that although the former may be either written or printed, the latter must be printed. It then rests with the registrar, after an examination of the same, either to grant or to refuse a certificate of incorporation. The grant will be made if he is satisfied that everything is in order and that the proper fees have been paid. The deed stamp of 10s for the memorandum and for the articles has just been referred to. In addition there is a fee stamp of 5s which is payable upon the articles when they are handed in for registration. Thus, the total preliminary fees amount to 25s, but if the company is governed by Table A (*qv*) and is registered without any special articles of association, the 10s and the 5s are saved, and the total amount payable is 10s.

If the company is an entirely new one, the preparation of the memorandum and the articles is all that is required as preliminary to registration. The promoter may be an utterly superfluous person.

In the early days of joint stock companies, the statutory requirements under the Companies Act, 1862, did not go beyond the necessity of producing the memorandum and the articles, and a notice as to the situation of the registered office of the company, but later Acts of Parliament and certain orders have made it imperative that other special forms should be produced, either at the time when registration is applied for or at some subsequent period. All these forms will be referred to in their proper order, and it may be incidentally mentioned that a stamp fee of 5s is payable in respect of each of them. These various forms are procurable from the Registrar of Joint Stock Companies or from the usual law stationers. It is not necessary to refer to these in detail, though it may be mentioned that there is a special formal application to be made when incorporation is sought for a private company. A special form is then handed in together with the memorandum and the articles. Further, a company which is established to carry on the business of Life Insurance, or of insurance against Employers' Liability, must deposit a sum of £20,000 with the Accountant General of the Chancery Division of the High Court before application is made for registration, and the registrar cannot grant a certificate of incorporation until a receipt for the payment of this sum has been produced to him.

The effect of registration, when a certificate of incorporation (*qv*) has been granted is that a separate legal entity has been created, possessing

all the rights and being subject to all the liabilities set out in the Act. And, when once a company has been established, it does not cease to exist until it goes through the process of being wound up (*qv*) or its name is removed from the register as a defunct company (*qv*).

By the Companies Act, 1862, the issue of the certificate of incorporation was conclusive evidence that all the requirements of the Act with respect to registration had been complied with. In a well-known case the question was raised as to the conclusiveness of the certificate where it was clear that there had been irregularities committed of a very grave character. But although the court was of opinion that the conduct of the registrar had been most censurable, it was held that the company had been duly constituted. It was said, "Parliament requires, for obvious purposes of public policy, that a company of this description should begin by seven or more persons subscribing a memorandum which is to be registered; and when once the memorandum is registered, and the company is held out to the world as a company undertaking business willing to receive shareholders, and ready to contract engagements, then it would be of most disastrous consequence, if, after all that had been done, any person was allowed to go back and enter into an examination (it might be years after the company had commenced to trade) of the circumstances attending the original registration and of the regularity of the execution of the documents originally received by the registrar. The registrar, if he performs his duty carefully, will be the guardian of the public interest, by seeing that the memorandum is properly executed and properly brought for registration, but, whether he does so or not, when once the certificate of incorporation is given, nothing is to be inquired into as to the regularity of the prior proceedings." The conclusiveness of the certificate of incorporation has been further shown in various subsequent cases. Every person who deals with a joint stock company after its incorporation is now entitled to assume that everything has been done regularly, and is not prejudiced in any claim he may have against the company, unless it is proved that he was fully aware of any irregularity alleged against it.

As difficulties arose more than once with regard to the construction of the section referred to in the last paragraph, and in order to get rid of any doubts that might be felt regarding its meaning, further provision was made by the Companies Act, 1900, as to the conclusiveness of the certificate, and also as to the procedure on registration. These amendments are now incorporated in Sect 17 of the Act of 1908, which has effectually set at rest the question of proper registration when certain formalities have been complied with. The section is as follows:—

"(1) A certificate of incorporation given by the registrar in respect of any association shall be conclusive evidence that all the requirements of this Act in respect of registration and of matters precedent and incidental thereto have been complied with, and that the association is a company authorised to be registered and duly registered under this Act.

"(2) A statutory declaration by a solicitor of the High Court, and in Scotland by an enrolled law agent, engaged in the formation of the company or by a person named in the articles as a director or secretary of the company of

compliance with all or any of the said requirements shall be produced to the registrar and the registrar may accept such a declaration as sufficient evidence of compliance

The date given in the certificate of incorporation is the true date of the birth of the company

When application is made to register a company it is now the practice for a statutory declaration to accompany the memorandum and the articles of association setting out that the requirements of the Act have been complied with. The following is the common form which is in use—

No of Certificate

The Companies (Consolidation) Act 1908

DECLARATION of Compliance with the requirements of the Companies (Consolidation) Act 1908 made pursuant to Sect 17 Sub sect 2 on behalf of a Company proposed to be registered as the

Presented for filing by

To the Registrar of Joint Stock Companies

I, of do solemnly and sincerely declare that I am (here insert whether solicitor of the High Court, director or secretary named in the articles of association) of the Company Limited and that all the requisitions of the Companies Act in respect of matters precedent to the registration of the said company and incidental thereto have been complied with. And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835

Declared at

on

The person who makes the declaration signs it and his signature must be witnessed in the same manner as an affidavit

Since the passing of the Companies Act 1900 it has been necessary to file a return setting out who are the first directors of the company and also another form on the part of the directors stating their willingness to act. The provisions of the Act of 1900 together with certain amendments contained in the Companies Act 1907 have been repealed and replaced in practically the same form by Section 72 of the Act of 1908 which is as follows—

(1) A person shall not be capable of being appointed director of a company by the articles and shall not be named as a director or proposed director of a company in any prospectus issued by or on behalf of the company or in any statement in lieu of prospectus filed by or on behalf of the company unless before the registration of the articles or the publication of the prospectus or the filing of the statement in lieu of prospectus as the case may be, he has by himself or by his agent authorised in writing—

(a) Signed and filed with the registrar of companies a consent in writing to act as such director and

(b) Either signed the memorandum for a number of shares not less than his qualification (if any) or signed and filed with the registrar a contract in writing to take from the company and pay for his qualification shares (if any)

(7) On the application for registration of the memorandum and articles of a company the applicant shall deliver to the registrar a list of the persons

who have consented to be directors of the company and if this list contains the names of any person who has not so consented the applicant shall be liable to a fine not exceeding fifty pounds

(3) This section shall not apply to a private company nor to a prospectus issued by or on behalf of a company after the expiration of one year from the date at which the company is entitled to commence business

The following forms are given as specimens which may be used in accordance with what has been stated in the foregoing paragraph—

1 LIST OF PERSONS WHO HAVE CONSENTED TO ACT AS DIRECTORS

No of Certificate

Companies (Consolidation) Act 1908

LIST OF PERSONS who have consented to be Directors of the Company Limited to be delivered to the Registrar pursuant to sect 72 (2) of the Act

Presented for filing by

To the Registrar of Joint Stock Companies

I (or we) the undersigned hereby give you notice pursuant to Sect 72 (2) of the Companies (Consolidation) Act 1908 that the following persons have consented to be Directors of the Company Limited

Here follow the names, addresses and descriptions of the various persons in separate columns together with the signature, address and description of the applicant for registration and the date

2 CONSENT TO ACT AS DIRECTOR

No of Certificate

Companies (Consolidation) Act 1908

CONSENT to act as Director of the Company Limited to be signed and filed pursuant to Sect 72 (1) of the Act

Presented for filing by

To the Registrar of Joint Stock Companies

I (or we) the undersigned hereby testify my (or our) consent to act as Director(s) of the Company Limited pursuant to Sect 72 (1) of the Companies (Consolidation) Act 1908

The signatures and addresses and descriptions follow as before and the form must be dated

It will have been noticed that Sect 72 Sub sect 3 provides two exceptions to the general rule stated above but where the company is a private company a form is required by the registrar when an application is made for incorporation. The following is the one in general use—

3 DECLARATION BY SUBSCRIBER THAT PUBLIC SUBSCRIPTIONS ARE NOT INVITED

Certificate No

Companies (Consolidation) Act 1904

Company Limited by Shares

APPLICATION by a certificate of incorporation to be filed by a Company which does not issue any invitation to the public to subscribe for its shares

Name of proposed Company

Presented for filing by

APPLICATION by the subscribers to the Memorandum of Incorporation of the Company Limited being a Company such as to be exempted from the Companies (Consolidation) Act 1908 and which does not issue any

(3) In computing any majority under this section when a poll is demanded regard shall be had to the number of votes to which each member is entitled according to the regulations of the company.

(4) A company registered under the Companies Act 1862 shall not be registered in pursuance of this section.

The registration of an existing company is not invalid by reason of the fact that it has taken place with a view to the company being wound up.

The question of the cost of registering a company is always an important one and the whole of the matters touching the expense in general will be here considered together so that it may be possible to see at a glance what is the exact amount required and also that a general idea may be gathered of the subsequent expenses which may be entailed in the shape of fees etc. after the registration has taken place. The fixed fees are the deed stamp of ten shillings each upon the memorandum and the articles and an additional fee of five shillings upon the latter for registration. These amounts therefore to £14s but it has already been pointed out that if a company is registered without articles of association fifteen shillings will be saved. Upon each of the other documents which have to be filed there is a fee stamp of five shillings imposed. It will have been noticed that there are four forms essential in the case of a private company and five in the case of a public company.

In addition to the fixed fees stated above there are certain variable fees which are payable on registration that is at the time when the various necessary documents are presented to the registrar and these depend upon the amount of the nominal capital of the company. These fees are paid into the Exchequer and are set out in Table B of the first schedule of the Act though the amount may be reduced from time to time as the Board of Trade may direct.

They are as follows—

By a Company having a Share Capital

For registration of a company whose nominal share capital does not exceed £2,000

£ s d
- 0 0

For registration of a company whose nominal share capital exceeds £2,000 the following fees regulated according to the amount of nominal share capital (that is to say)—

For every £1,000 of nominal share capital or part of £1,000 up to £5,000

£ s d
1 0 0

For every £1,000 of nominal share capital or part of £1,000 after the first £5,000 up to £100,000

5 0

For every £1,000 of nominal share capital or part of £1,000 after the first £100,000

1 0

For registration of any increase of share capital made after the first registration of the company, the same fees of £1,000 or part of £1,000 as would have been payable if the increased share capital had formed part of the original share capital at the time of registration.

Provided that no company shall be liable to pay in respect of nominal share capital on registration or afterwards any greater amount of fees than £50 taking into account in the cases of fees payable on an increase of share capital after registration the fees paid on registration.

For registration of any existing company except such companies as are by this Act exempted from payment of fees in respect of registration under this Act the same fee as is charged for registering a new company.

For registering any document by this Act required or authorised to be registered other than the memorandum or the abstract required to be filed with the registrar by a receiver or manager or the statement required to be sent to the registrar by the liquidator in a winding up in England

£ s d
0 5 0

For making a record of any fact by this Act required or authorised to be recorded by the registrar

0 5 0

Until after the passing of the Stamp Act 1891 there was no duty payable beyond the fee stamp on the memorandum varying from £2 to £50 but by the Act just mentioned an *ad valorem* duty of two shillings per cent was imposed in addition to the registration fee stamp and the *ad valorem* duty was subsequently increased by the Finance Act 1899 to one of five shillings per cent. It will be noticed that the maximum of £50 is reached in respect of the fee stamp when the nominal capital is £25,000 and no matter how great the nominal capital may be this cannot be exceeded. The *ad valorem* duty on the contrary is unlimited in extent.

The following illustrative table will show at a glance what is the exact amount payable as variable fees on registration in addition to the fixed fees which have been named—

Nominal Share Capital	Ad Valorem Duty (if assessed Act 1899)	Registration Fee (Companies Act 1900)	Total
£ 100	£ s d 0 5 0	£ s d 2 0 0	£ s d 2 5 0
500	1 5 0	2 0 0	3 5 0
1,000	2 10 0	2 0 0	4 10 0
2,000	5 0 0	2 0 0	7 0 0
2,500	6 5 0	3 0 0	9 5 0
3,000	7 10 0	3 0 0	10 10 0
5,000	12 10 0	5 0 0	17 10 0
7,500	18 15 0	5 15 0	24 10 0
10,000	25 0 0	6 5 0	31 5 0
15,000	37 10 0	7 10 0	45 0 0
20,000	50 0 0	8 15 0	58 15 0
25,000	62 10 0	10 0 0	72 10 0
50,000	125 0 0	16 5 0	141 5 0
75,000	187 10 0	22 10 0	210 0 0
100,000	250 0 0	28 15 0	278 15 0
150,000	375 0 0	31 5 0	406 5 0
200,000	500 0 0	33 15 0	533 15 0
400,000	1,000 0 0	41 15 0	1,041 15 0
500,000	1,250 0 0	48 15 0	1,298 15 0
5,000	1 7 11	50 0 0	1 36 11
100,000	2 50 0	50 0 0	2 50 0
10,000,000	25,000 0 0	50 0 0	25,050 0 0

When a company does not have a share capital, that is, when it is a company limited by guarantee, or when it is unlimited, the fees payable upon registration vary according to the number of the members. These are fully set out in the second part of the Table B of the first schedule, and are as follows—

By a Company not having a Share Capital

	£ s d
For registration of a company whose number of members as stated in the articles does not exceed twenty	2 0 0
For registration of a company whose number of members as stated in the articles exceeds twenty, but does not exceed one hundred	5 0 0
For registration of a company whose number of members as stated in the articles exceeds one hundred, but is not stated to be unlimited, the above fee of £5 with an additional 5s. for every fifty members or less number than fifty members after the first hundred	
For registration of a company in which the number of members is stated in the articles to be unlimited	20 0 0
For registration of an increase on the number of members made after the registration of a company in respect of every fifty members or less than fifty members, of that increase	0 5 0
Provided that no company shall be liable to pay on the whole a greater fee than £20, in respect of its number of members, taking into account the fee paid on the first registration of the company	
For registration of any existing company, except such companies as are by this Act exempted from payment of fees in respect of registration under this Act, the same fee as is charged for registering a new company	
For registering any document by this Act required or authorised to be registered, other than the memorandum or the abstract required to be filed with the registrar by a receiver or manager or the statement required to be sent to the registrar by the liquidator in a winding up in England	0 5 0
For making a record of any fact by this Act required or authorised to be recorded by the registrar	0 5 0

The above are the whole of the requirements necessary and a complete statement of the amount of fees payable up to the time of completing the registration and receiving from the registrar the certificate of incorporation. If the registrar is satisfied that everything is in order and that the fees have been paid, he grants the certificate, and the company is incorporated as before stated. If it is a private company (or) it may commence business at once but if the company intends to go to the public and apply for subscription to its shares, there are other preliminaries necessary before it can set about its work. (See COMPANIES ACT OF 1908)

After the registration of a company, each document that has to be filed with the registrar and each return that has to be made, must bear a

five shilling stamp. In addition to the notice of the change of address (if any) of the registered office, to which reference has been already made, the principal documents and returns are the annual returns of capital and members, the declaration by a public company before commencing business or exercising borrowing powers, the returns of allotments of shares, the report prior to the statutory meeting, the contract for the issue of fully paid and partly paid shares, the memorandum of the satisfaction of charge (with an additional 2s 6d stamp on the declaration which must accompany the same), the consent of the Board of Trade to change the name of the company, the notice of consent to take the name of an existing company, a copy of an altered memorandum of association, a minute of reduction of capital, a copy of order of court on various matters connected with the company, and also the various documents which have come into use since the 1st July, 1908. All these matters are referred to under separate headings.

REGISTRATION OF DEEDS.—Deeds are required to be registered in Yorkshire, Middlesex, and the Bedford Level. This registration must be distinguished from the registration of land (See LAND REGISTRY).

REGISTRATION OF MORTGAGES.—Every joint-stock company is now bound to keep a register of all mortgages or charges specifically affecting its property, and any creditor or member of the company is entitled to inspect the same without charge. Any other person may inspect upon payment of a fee not exceeding one shilling. Also the registrar of companies keeps a register in which are entered all mortgages and charges. This register is kept at Somerset House and is also open to inspection upon payment of a fee not exceeding one shilling.

The sections of the Companies (Consolidation) Act, 1908, affecting the registration of mortgages and charges are as follows—

Registration of Mortgages and Charges.

"93.—(1) Every mortgage or charge created after the first day of July, nineteen hundred and eight by a company registered in England or Ireland and being either—

"(a) a mortgage or charge for the purpose of securing any issue of debentures, or

"(b) a mortgage or charge on uncalled share capital of the company; or

"(c) a mortgage or charge created or evidenced by an instrument which, if executed by an individual, would require registration as a bill of sale; or

"(d) a mortgage or charge on any land, wherever situate, or any interest therein, or

"(e) a mortgage or charge on any book debts of the company, or

"(f) a floating charge on the undertaking or property of the company,

shall, so far as any security on the company's property or undertaking is thereby conferred be void against the liquidator and any creditor of the company unless the prescribed particulars of the mortgage or charge, together with the instrument (if any) by which the mortgage or charge is created or evidenced are delivered to or received by the registrar of companies for registration in manner required by this Act within twenty-one days after the date of its creation, but without prejudice to

any contract or obligation for repayment of the money thereby secured and when a mortgage or charge becomes void under this section the money secured thereby shall immediately be become payable.

Provided that—

(1) in the case of a mortgage or charge created out of the United Kingdom comprising solely property situate outside the United Kingdom the delivery to and the receipt by the registrar of a copy of the instrument by which the mortgage or charge is created or evidenced verified in the prescribed manner shall have the same effect for the purposes of this section as the delivery and receipt of the instrument itself and twenty-one days after the date on which the instrument or copy could in due course of post and if despatched with due diligence have been received in the United Kingdom shall be substituted for twenty-one days after the date of the creation of the mortgage or charge as the time within which the particulars and instrument or copy are to be delivered to the registrar; and

(2) where the mortgage or charge is created in the United Kingdom but comprises property outside the United Kingdom the instrument creating or purporting to create the mortgage or charge may be sent for registration notwithstanding that further proceedings may be necessary to make the mortgage or charge valid or effectual according to the law of the country in which the property is situate; and

(3) where a negotiable instrument has been given to secure the payment of any book debts of a company the deposit of the instrument for the purpose of securing an advance to the company shall not for the purposes of this section be treated as a mortgage or charge on those book debts; and

(4) the holding of debentures entitling the holder to a charge on land shall not be deemed to be an interest in land.

(2) The registrar shall keep with respect to each company a register in the prescribed form of all the mortgages and charges created by the company after the first day of July nineteen hundred and eight and requiring registration under this section and shall on payment of the prescribed fee enter in the register with respect to every such mortgage or charge the date of creation the amount secured by it short particulars of the property mortgaged or charged and the names of the mortgagees or persons entitled to the charge.

(3) Where a series of debentures containing or giving by reference to any other instrument any charge to the benefit of which the debenture holders of that series are entitled *pari passu* is created by a company it shall be sufficient if there are delivered to or received by the registrar within twenty-one days after the execution of the deed containing the charge or if there is no such deed after the execution of any debentures of the series the following particulars—

(a) the total amount secured by the whole series; and

(b) the dates of the resolutions authorising the issue of the series and the date of the covering deed if any by which the security is created or defined; and

(c) a general description of the property charged; and

(d) the names of the trustee if any for the debenture holders.

together with the deed containing the charge or if there is no such deed one of the debentures of the series and the registrar shall on payment of the prescribed fee enter those particulars in the register.

Provided that where more than one issue is made of debentures in the series there shall be sent to the registrar for entry in the register particulars of the date and amount of each issue but an omission to do this shall not affect the validity of the debentures issued.

(4) Where any commission allowance or discount has been paid or made either directly or indirectly by the company to any person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally for any debentures of the company or procuring or agreeing to procure subscriptions whether absolute or conditional for any such debentures the particulars required to be sent for registration under this section shall include particulars as to the amount or rate per cent. of the commission discount or allowance so paid or made but an omission to do this shall not affect the validity of the debentures issued.

Provided that the deposit of any debentures as security for any debt of the company shall not for the purposes of this provision be treated as the issue of the debentures at a discount.

(5) The registrar shall give a certificate under his hand of the registration of any mortgage or charge registered in pursuance of this section stating the amount thereby secured and the certificate shall be conclusive evidence that the requirements of this section as to registration have been complied with.

(6) The company shall cause a copy of every certificate of registration given under this section to be indorsed on every debenture or certificate of debenture stock which is issued by the company and the payment of which is secured by the mortgage or charge so registered.

Provided that nothing in this subsection shall be construed as requiring a company to cause a certificate of registration of any mortgage or charge so given to be indorsed on any debenture or certificate of debenture stock which has been issued by the company before the mortgage or charge was created.

(7) It shall be the duty of the company to send to the registrar for registration the particulars of every mortgage or charge created by the company and of the issues of debentures of a series requiring registration under this section but registration of any such mortgage or charge may be effected on the application of any person interested therein.

Where the registration is effected on the application of some person other than the company that person shall be entitled to recover from the company the amount of any fees properly paid by him to the registrar on the registration.

(8) The register kept in pursuance of this section shall be open to inspection by any person on payment of the prescribed fee not exceeding one shilling for each inspection.

(9) Every company shall cause a copy of every instrument creating any mortgage or charge requiring registration under this section to be kept at the registered office of the company.

Provided that in the case of a series of uniform

When a company does not have a share capital, that is, when it is a company limited by guarantee, or when it is unlimited, the fees payable upon registration vary according to the number of the members. These are fully set out in the second part of the Table B of the first schedule, and are as follows—

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For registration of a company whose number of members as stated in the articles does not exceed twenty	2	0	0
For registration of a company whose number of members as stated in the articles exceeds twenty, but does not exceed one hundred	5	0	0
For registration of a company whose number of members as stated in the articles exceeds one hundred, but is not stated to be unlimited, the above fee of £5 with an additional 5s. for every fifty members or less number than fifty members after the first hundred			
For registration of a company in which the number of members is stated in the articles to be unlimited	20	0	0
For registration of an increase on the number of members made after the registration of a company in respect of every fifty members, or less than fifty members, of that increase	0	5	0
Provided that no company shall be liable to pay on the whole a greater fee than £20, in respect of its number of members, taking into account the fee paid on the first registration of the company			
For registration of any existing company, except such companies as are by this Act exempted from payment of fees in respect of registration under this Act, the same fee as is charged for registering a new company			
For registering any document by this Act required or authorised to be registered, other than the memorandum or the abstract required to be filed with the registrar by a receiver or manager or the statement required to be sent to the registrar by the liquidator in a winding up in England	0	5	0
For making a record of any fact by this Act required or authorised to be recorded by the registrar	0	5	0

The above are the whole of the requirements necessary and a complete statement of the amount of fees payable up to the time of completing the registration and receiving from the registrar the certificate of incorporation. If the registrar is satisfied that everything is in order and that the fees have been paid, he grants the certificate, and the company is incorporated as before stated. If it is a private company (*qv*) it may commence business at once, but if the company intends to go to the public and apply for subscription to its shares, there are other preliminaries necessary before it can set about its work. (See COMMENCEMENT OF BUSINESS)

After the registration of a company, each document that has to be filed with the registrar, and each return that has to be made, must bear a

five shilling stamp. In addition to the notice of the change of address (if any) of the registered office, to which reference has been already made, the principal documents and returns are the annual returns of capital and members, the declaration by a public company before commencing business or exercising borrowing powers, the returns of allotments of shares, the report prior to the statutory meeting, the contract for the issue of fully paid and partly paid shares, the memorandum of the satisfaction of charge (with an additional 2s 6d. stamp on the declaration which must accompany the same), the consent of the Board of Trade to change the name of the company, the notice of consent to take the name of an existing company, a copy of an altered memorandum of association, a minute of reduction of capital, a copy of order of court on various matters connected with the company, and also the various documents which have come into use since the 1st July, 1908. All these matters are referred to under separate headings.

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"(b) a mortgage or charge on uncalled share capital of the company, or

"(c) a mortgage or charge created or evidenced by an instrument which, if executed by an individual, would require registration as a bill of sale, or

"(d) a mortgage or charge on any land, wherever situate, or any interest therein, or

"(e) a mortgage or charge on any book debts of the company, or

"(f) a floating charge on the undertaking or property of the company,

shall, so far as any security on the company's property or undertaking is thereby conferred, be void against the liquidator and any creditor of the company, unless the prescribed particulars of the mortgage or charge, together with the instrument (if any) by which the mortgage or charge is created or evidenced, are delivered to or received by the registrar of companies for registration in manner required by this Act within twenty-one days after the date of its creation, but without prejudice to

REGISTRATION OF TITLE—For a great number of years efforts have been made to bring about some system of registration of title whereby it would be possible for any person to obtain full particulars as to the ownership of land as well as to any dealings with it. On the part of the land owners there has been much opposition to any scheme of this kind as it would enable the public generally to pry into their private affairs. A great advance in this direction was made by the passing of the Land Transfer Act 1897 one of the objects of which was to make the registration of land compulsory. But the provisions of the Act are such as to make registration quite optional. No land in any county is affected unless an Order in Council has been made to that effect. Nothing can be done in the direction of registration unless the county council of any county decides in favour of registration at a special meeting of the council by a two-thirds majority. The Act as far as registration is concerned is operative for the whole county of London. All ordinary sales of freeholds all sales of leaseholds having forty or more years still to run or two or more lives still to fall in and grants of leases or underleases for the same periods are to be registered. But registration does not apply to a lease created for mortgage purposes or containing an absolute prohibition against alienation. The procedure on registration is as follows. The applicant or his solicitor attends the registry with the deeds relating to the property and a copy of the same written on stout paper for filing. A plan must also be produced. The land is identified on a large scale ordnance map kept at the registry, and the draft entries for the register are prepared and settled. A land certificate is then drawn up and forwarded to the applicant or his solicitor. The register is private and no examination can be made except with the authority of the registered owner or on notice to him. The offices of the Land Registry are at 34 Lincoln's Inn Fields but the business of registration is carried on at 6 Portugal Street and 5 Clement's Inn for the portions of the county of London lying north and south of the Thames respectively.

REGISTRATION OF TRANSFERS—(See TRANSFER OF SHARES)

REICHSBANK—The German Imperial Bank. This is the most important and most influential financial institution of Germany.

REICHSMARK—The same as the mark (q.v.) of the German Empire.

REINDEER—A species of deer found in the Arctic regions of both hemispheres. The domesticated variety is common in Norway, Lapland and Siberia. It is used as a beast of burden and for riding purposes. Its skin supplies clothing and coverings of all sorts, the flesh is made into pemmican (q.v.) the antlers (q.v.) serve a variety of purposes and the tongues are valued for local consumption and for exportation. Russia being the country chiefly engaged in the export trade. Caribou is another name for reindeer, but it is generally confined to the American species.

REINDEER MOSS—A lichen which grows abundantly in the most northerly regions of Europe and America. It forms the chief food of the reindeer. In Britain it is used as the ground work on which stuffed birds are exhibited and in Scandinavia it is sometimes employed as a filling for cushions etc.

REIMBURSE—The literal meaning of this

word is to put back into a purse. Consequently it has come to signify repayment.

REINSURE—To insure a second time. With the increasing volume of insurance and particularly with the insurance of great and valuable concerns any one company which took up the insurance alone might be seriously involved in case of loss or damage. Consequently it is the practice of insurance offices to distribute their liabilities as widely as possible by re-insuring in other offices and then the amount of the loss is much lessened. It will be obvious that this is the only way in which insurance companies could hope to exist when a loss by fire say of millions of pounds is suddenly sustained. Every insurer has an insurable interest in the risk which he has undertaken. The original liability of the insurer to the person insured is in no way affected by the re-insurance.

REIS—(See FOREIGN MONIES—BRAZIL, PORTUGAL, SOUTH AFRICA)

REJOINDER—(See PLEADINGS)

RELEASE—To grant a new lease. Prior to 1845 a release played an important part in one of the forms of transfer of real estate known as lease and release, but since the year just mentioned land has been transferred by a deed of grant generally called a conveyance.

RELEASE—This word is often used to denote the liberation of a person from the liability imposed upon him in any way by the act of some other person in particular the person to whom he is bound.

Several illustrations of a release may be given. Thus when there has been a breach of contract the person who has a right of action may refuse to enforce it or he may waive it. The other party to the contract is the person who is guilty of the breach is then released. But in order that a release of this character may be legally effective unless there is such a lapse of time that the Statutes of Limitations (q.v.) apply the release must be by deed since otherwise there is no consideration for the presumed agreement not to sue. There is however an exception to this in the case of a bill of exchange. By the Bills of Exchange Act 1882 section 69 it is provided. When the holder of a bill at or after its maturity absolutely and unconditionally renounces his rights against the acceptor the bill is discharged. The renunciation must be in writing unless the bill is delivered up to the acceptor. The liabilities of any party to a bill may in like manner be renounced by the holder before at or after its maturity but nothing in this section shall affect the rights of a holder in due course without notice of the renunciation.

A release is of importance in the case of trusts imposed under a will or a settlement. When all the trusts imposed have been fulfilled the trustee is entitled to receive a formal release from all the beneficiaries who have received their full interest in the estate comprised in the will or the settlement. Also when an executor has carried out all his duties he should have a release from the residuary legatee freeing him from any further liability or responsibility in connection with the estate.

In bankruptcy and in the winding up of companies the Board of Trade grants a release to the trustee in bankruptcy or to the liquidator of the company on the completion of the bankruptcy proceedings or the winding up as the case may be. The trustee or the liquidator must make a special

debentures, a copy of one such debenture shall be sufficient

Registration of Enforcement of Security.

"94—(1) If any person obtains an order for the appointment of a receiver or manager of the property of a company, or appoints such a receiver or manager under any powers contained in any instrument, he shall within seven days from the date of the order or of the appointment under the powers contained in the instrument give notice of the fact to the registrar of companies, and the registrar shall, on payment of the prescribed fee, enter the fact in the register of mortgages and charges

"(2) If any person makes default in complying with the requirements of this section he shall be liable to a fine not exceeding five pounds for every day during which the default continues

Filing of Accounts of Receivers and Managers.

"95—(1) Every receiver or manager of the property of a company who has been appointed under the powers contained in any instrument, and who has taken possession shall, once in every half year while he remains in possession, and also on ceasing to act as receiver or manager, file with the registrar of companies an abstract in the prescribed form of his receipts and payments during the period to which the abstract relates, and shall also on ceasing to act as receiver or manager file with the registrar notice to that effect, and the registrar shall enter the notice in the register of mortgages and charges

"(2) Every receiver or manager who makes default in complying with the provisions of this section shall be liable to a fine not exceeding fifty pounds

Rectification of Register of Mortgages

"96 A judge of the High Court, on being satisfied that the omission to register a mortgage or charge within the time hereinbefore required, or that the omission or misstatement of any particular with respect to any such mortgage or charge, was accidental, or due to inadvertence or to some other sufficient cause, or is not of a nature to prejudice the position of creditors or shareholders of the company, or that on other grounds it is just and equitable to grant relief, may, on the application of the company or any person interested, and on such terms and conditions as seem to the judge just and expedient, order that the time for registration be extended, or, as the case may be, that the omission or misstatement be rectified

Entry of Satisfaction

"97. The registrar of companies may, on evidence being given to his satisfaction that the debt for which any registered mortgage or charge was given has been paid or satisfied, order that a memorandum of satisfaction be entered on the register, and shall, if required, furnish the company with a copy thereof

Index to Register of Mortgages and Charges

"98. The registrar of companies shall keep a chronological index, in the prescribed form and with the prescribed particulars, of the mortgages or charges registered with him under this Act

Penalties

"99—(1) If any company makes default in sending to the registrar of companies for registration the particulars of any mortgage or charge created

by the company, and of the issues of debentures of a series, requiring registration with the registrar under the foregoing provisions of this Act, then, unless the registration has been effected on the application of some other person, the company, and every director, manager, secretary, or other person who is knowingly a party to the default, shall on conviction be liable to a fine not exceeding fifty pounds for every day during which the default continues

"(2) Subject as aforesaid, if any company makes default in complying with any of the requirements of this Act as to the registration with the registrar of any mortgage or charge created by the company, the company and every director, manager, and other officer of the company, who knowingly and wilfully authorised or permitted the default shall, without prejudice to any other liability, be liable on summary conviction to a fine not exceeding one hundred pounds

"(3) If any person knowingly and wilfully authorises or permits the delivery of any debenture or certificate of debenture stock requiring registration with the registrar under the foregoing provisions of this Act, without a copy of the certificate of registration being indorsed upon it, he shall, without prejudice to any other liability, be liable on summary conviction to a fine not exceeding one hundred pounds

Company's Register of Mortgages.

"100—(1) Every limited company shall keep a register of mortgages and enter therein all mortgages and charges specifically affecting property of the company, giving in each case a short description of the property mortgaged or charged, the amount of the mortgage or charge, and (except in the case of securities to bearer) the names of the mortgagees or persons entitled thereto

"(2) If any director, manager, or other officer of the company knowingly and wilfully authorises or permits the omission of any entry required to be made in pursuance of this section, he shall be liable to a fine not exceeding fifty pounds

Right of Inspection

"101—(1) The copies of instruments creating any mortgage or charge requiring registration under this Act with the registrar of companies, and the register of mortgages kept in pursuance of the last foregoing section, shall be open at all reasonable times to the inspection of any creditor or member of the company without fee, and the register of mortgages shall also be open to the inspection of any other person on payment of such fee, not exceeding one shilling for each inspection, as the company may prescribe

"(2) If inspection of the said copies or register is refused, any officer of the company refusing inspection, and every director and manager of the company authorising or knowingly and wilfully permitting the refusal, shall be liable to a fine not exceeding five pounds, and a further fine not exceeding two pounds for every day during which the refusal continues; and in addition to the above penalty as respects companies registered in England or Ireland, any judge of the High Court sitting in chambers or the judge of the court exercising the stannaries jurisdiction in the case of companies subject to that jurisdiction, may by order compel an immediate inspection of the copies or register"

the amount (if any) which they propose to carry to a reserve fund

(Some people will think that Table A is unduly optimistic, for it will be noticed that the ubiquitous words "if any" are omitted in connection with the declaration of a dividend.)

Clause 108 of Table A provides that a copy of the balance sheet and report shall seven days previously to the meeting be sent to the persons entitled to receive notices of general meetings even where the regulations governing any particular company do not make it obligatory to send a copy it is extremely desirable that this should be done as shareholders then have an opportunity of making themselves familiar with the contents beforehand and much time may be saved at the meeting as a result. It also lends support to the motion that the directors report and accounts be taken as read which it is customary to move in order to dispense with a very tiresome formality. It is usual for the chairman after having made such observations and explanations as he may deem advisable to submit the report and accounts to the meeting by moving

that the directors report and accounts be accepted the motion after being seconded by one of the directors is then put to the meeting. If the motion be rejected by the shareholders it is tantamount to a vote of censure on the Board although failure by the meeting to adopt the report and accounts would have no legal effect.

Statutory Report. Every company limited by shares is required by the 1908 Act (Sec. 65) to send to every member of the company at least seven days before the day on which the statutory meeting is to be held a report containing full particulars as to the number of shares allotted and the consideration including cash received by the company in respect thereof. An abstract of receipts and expenditure up to a date within seven days from the date of the report and an account or estimate of the preliminary expenses. The report must also give the names and addresses of the directors auditors (if any) managers (if any) and secretary of the company and particulars of any contract which is to be submitted to the meeting for modification with the particulars of the proposed modifications. The report must be certified by at least two directors of the company or where there are less than two directors by the sole director and manager and that part of the report which relates to the shares allotted and to the cash received and paid by the company must in addition be certified by the auditors. A copy of the report must be filed with the registrar of companies immediately copies have been sent to the members of the company. Forms showing the exact manner in which the particulars are to be rendered can be obtained at any law stationer's. If default is made in filing the report any shareholder may after the expiration of fourteen days after the last day on which the statutory meeting should have been held petition the court for a compulsory winding up of the company and the court may direct that the company be wound up or give directions for the statutory report to be filed or make such other order as may be just.

There is no obligation on the part of a private company, as defined by Section 191 of the Act to forward to its members or to file with the registrar a statutory report.

If any person wilfully makes a false statement in a statutory report he is liable on conviction on indictment to imprisonment for a term not exceeding

two years with or without hard labour and on summary conviction to imprisonment for a term not exceeding four months with or without hard labour and in either case to a fine in lieu thereof or in addition to such imprisonment.

Report of Proceedings at General Meeting. It is a great convenience to shareholders to be fully informed of what has taken place at meetings of companies in which they hold shares and it is desirable therefore that printed reports of the proceedings of all general meetings should be forwarded to the members. This applies particularly in cases where there is any considerable number of the members residing at a distance from the company's headquarters. At the present time investors have interests so many and varied that it is almost a physical impossibility for many individuals even if they felt so disposed to attend the meetings of all the companies in which they are interested no company of any importance therefore should omit to issue these reports.

The chairman's speech should be given in full for it will no doubt contain particulars as to the future prospects of the undertaking and such details regarding the policy which the Board proposes to pursue as it may deem prudent to disclose.

It should be borne in mind that a report of the proceedings at a general meeting of shareholders if sent to the public Press is not privileged in the event of it containing libellous matter but if circulated amongst the shareholders only it is *prima facie* privileged. Another point to remember is that should a report contain false statements and be adopted by the company and advertised in the Press or the statements disseminated in some other manner the company may be held liable to persons acting on the faith of such statements.

RE-PURCHASE.—Either the act of buying back goods which have been sold or the goods themselves the object of the purchase and the re-purchase.

REPUTED OWNERSHIP (and see **PROBABLE DIVISIBLE AMONG CREDITORS**).—When a man becomes bankrupt his own property generally speaking becomes vested in a trustee for the benefit of his creditors but the trustee may in certain circumstances become entitled to property which does not belong to the bankrupt. Thus if goods are in a man's possession under such circumstances as to enable him by means of them to obtain false credit then the owner of the goods who has permitted him to obtain that false credit is to suffer the penalty of losing his goods for the benefit of those who have given credit.

This result is effected by the operation of the doctrine of reputed ownership under which all goods being at the commencement of the bankruptcy in the possession order or disposition of the bankrupt in his trade or business by the consent or permission of the true owner under such circumstances that he is the reputed owner thereof are divisible among the creditors provided that things in action other than debts due or growing due to the bankrupt in the course of his trade or business shall not be deemed goods within the meaning of this provision. If it thus appears that in order that property in the possession of the bankrupt which is not his own may become divisible under the reputed ownership the goods must be in his possession order or disposition in his trade or business at the commencement of the bankruptcy that he must be the reputed owner and that the true owner must consent. If a man loses

would concentrate his efforts on a small plot and save the bulk of his rent. There is a time when, even in London, it is a matter of debate whether to raise a building another storey or to acquire more ground space. Just so, it will be, as demand increases, a subject for calculation whether more intensive or more extensive cultivation will pay, whether it will be better to rack the land or to resort to poorer soils.

This law of diminishing return is an application to land of a phenomenon which is familiar to all. Expressed in its most general form, the "law" may be thus stated. An equal stimulus rapidly applied will produce a gradually diminishing effect, or, the sum of the effects of any repeated stimulus increases more slowly than the repetitions. A slight noise, the gentle ticking of the clock, or the air circulating through the chimney impresses the ear in the quiet of night, but they make no impression if added to the hubbub of the streets during the day. A piece of bread given to a starving man confers on him indefinite utility; a second piece is less useful, and so on till the point of satiety is reached, when the eating of more bread would be disagreeable and painful.

The law of diminishing return must no doubt be applied with caution. In the case of land itself, an increase in the application of labour and capital may be repaid by a more than proportional increase in the produce. Hence the eagerness of thinly-peopled colonies for labour and capital. In early stages of cultivation this is conspicuously the case, and, in more advanced stages, elaborate schemes of draining or of the addition of permanent manures may be more remunerative than the first amounts of labour applied. There will be a tendency to increasing return, but at a not very advanced state of agricultural skill and knowledge the law of diminishing return begins to operate. Doubling the labour does not double the produce. The law may be temporarily counteracted by the increasing power of man over Nature, but the fact that the capacities of the land are not unlimited is cardinal and must at a very early period be taken into account. To use Mill's illuminative simile: "The limitation to production from the properties of the soil is not like the obstacle opposed by a wall, which stands immovable in one particular spot, and offers no resistance to motion short of stopping it entirely. We may rather compare it to a highly elastic and extensible band, which is hardly ever so violently stretched that it could not possibly be stretched any more, yet the pressure of which is felt long before the final limit is reached, and felt more severely the nearer that limit is approached."

Immediately the resort to poorer or less accessible soil is necessitated to supply the wants of the community, rent emerges for the superior or better situated soils. This rent does not determine the price of the product; the cost of production under the worst circumstances decides this. A high price may denote that rent is paid, for it shows that poorer instruments of production are called on, but rent forms no part of price. The farmer in proportion to his rent gets a superior instrument of production; and if the landlord were to forego his rent the consumer would not gain it. The farmer would be enabled to appropriate it. The community loses from the payment of rent only in so far as the whole or the greater part of it might have been retained for the public services. The

taxing of the unearned increment is a step towards this.

Rent, arising as it does from differential advantages, will decrease as these differential advantages decrease. Thus, as transport facilities have lessened the differences in degrees of accessibility, the rents of lands nearer the market have fallen in comparison with more distant lands, and, as profitable uses are gradually found for the more sterile soils, the rents of the more fertile soils fall in comparison. On these two facts depend the recent fall of agricultural rents in Britain.

RENUNCIATION OF BILL.—When the holder of a bill of exchange does not intend to claim his rights under the document, he is said to renounce the same. A renunciation, however, is not legally valid unless it is made in writing, or the bill of exchange is actually delivered up to the acceptor (See PAYMENT OF BILL, RELEASE).

REPAIRS.—(See LANDLORD AND TENANT)

REPLEVIN.—(See DISTRESS)

REPLICATION.—In law, this is the name which was applied in former days to that part of the pleadings (*qv*) in an action which was the reply put in by the plaintiff to the defendant's plea (*qv*). Since the passing of the Judicature Acts, 1873 and 1875 the names of the various documents which constitute the pleadings have been changed, and as the plea is now called the defence, so the replication is known by the name of reply. The old name of replication only remains in the procedure of the Mayor's Court, where the legal methods are still the same as they were before the passing of the Judicature Acts.

REPORTS.—**Auditors' Report.** Every balance sheet laid before a company in general meeting must be accompanied by a report made by the auditors of the company, as provided by Section 113 of the Companies (Consolidation) Act, 1908. The auditors are to state in such report whether or not they have obtained all the information and explanations they have required, and whether in their opinion the balance sheet referred to in the report is properly drawn up, so as to exhibit a true and correct view of the state of the company's affairs, according to the best of their information and the explanations given to them, and as shown by the books of the company. The report must be read aloud to the meeting, and be open to inspection by any shareholder. An auditor of the company, if there is one present, should be asked to read the report, as he will then have an opportunity of making any observations, within the scope of his professional duties, on the financial position of the company, and of answering any relevant question which may occur to any shareholder to put to him. We may say that it is not usual for auditors to make any verbal addition to the remarks contained in their report, although it is conceivable that an explanation of some technical detail might materially assist the shareholders present in arriving at a right appreciation of the company's position.

Directors' Report. This is usually drawn up once a year, and submitted with the accounts to the shareholders at the annual general meeting of the company. It should include a résumé of the year's operations, with comments on the financial position of the company. In the words of Clause 107 of Table A (*qv*) it should be—

"a report of the directors as to the state of the company's affairs and the amount which they recommend to be paid by way of dividend, and

discretion may deem to be advisable. The reserve so set aside may be applied for meeting unforeseen future contingencies or for the purpose of equalising dividends. The clause further gives them power to employ any reserves so created in the business itself or they may if desired invest the sum representing the fund created in any investments they choose but they must not invest in the shares of their own company.

With such powers it behoves the directorate year by year to consider thoroughly its financial status and before recommending any dividend proper regard must be had to requirements as to creating reserve funds and to augmenting those funds from time to time as occasion may offer or necessity demand.

A reserve fund may be drawn upon if it is a general fund for a variety of purposes. It can be applied to if thought necessary for the purpose of reducing capital in cases where the share capital is partially paid up and the improbability of the additional call being needed is foreseen but in this case the reduction of capital by drawing upon the reserve fund can only be carried out in the prescribed form (see REDUCTION OF CAPITAL) if the fund has been invested then the investments may be realised for the purpose of augmenting freehold land buildings or plant. Again if it is desired to make up leeway from a drop of profits in any year it is possible though perhaps according to some authorities not desirable to draw upon the reserve to such an extent as will equalise the dividend paid in that year. Several specific forms of reserve accounts may be cited as follows—

Dividend Reserve Account. It is probable that if a balance sheet contains an item under its liabilities specifically designated as a reserve account for the purpose of drawing upon in case of need as above mentioned no objection is likely to be raised to any encroachments upon it.

Reserves for Depreciation on Plant. It is the custom in some industrial concerns to create and build up a reserve which will suitably provide for wear and tear of machinery and plant or for obsolescence and possible necessary replacements. In such cases the assets representing machinery and plant are not subjected to any deduction for depreciation providing the reserve *per contra* is adequate. (See DEPRECIATION.)

Reserves for Loss on Securities. It frequently becomes expedient to set aside out of profits a sum which will compensate for any fall in the market values of investments made by a company but where those securities regain their former values on the market advantage might be and usually is taken of transferring the sums formerly set aside as a reserve under this head to a reserve for other purposes because applying the sums thus set aside to write up the book values of the investments would be tantamount to placing a false value upon those assets.

Reserves for Debenture Redemption. This is more usually provided for under the heading of Sinking Fund (q.v.).

RESERVE LIABILITY.—This is a form of liability which represents uncalled capital upon shares issued by the provisions of the Companies (Consolidation) Act 1908 (Sec. 53). A company whose share capital is unlimited can by a special resolution passed for the purpose of registration of the company as a company limited by shares, according to the provisions of that statute make

provision in the same resolution that any specified portion of such share capital as has not been called up shall be incapable of being so called up except and only in the event of the winding up of the company. The company may further by the same Section increase the nominal amount of its existing shares and specify that the amounts so increased shall be regarded as uncalled capital on the understanding that the uncalled capital amount be not called up except for the purposes of winding up. The following Section 59 empowers a company already enjoying the full privileges of limited liability to make provisions that any of its capital which is not called up shall be incapable of being called up except and only for the purpose of the winding up of the company.

This is a practice very extensively indulged in by insurance and banking companies there are only a few of such companies where this form of Reserve Liability is not found. The practice is calculated to and in the majority of cases does add considerably to the stability and the confidence placed in those concerns whose balance sheets exhibit such a state of affairs especially if it can be shown that the directors are men of worth and repute.

RESERVE PRICE.—This is the name which is given to the lowest price which a person is willing to accept for goods which are offered for sale at auction or otherwise.

RESERVES.—Reserves differ from reserve funds in that they are provisions for losses which have occurred but the exact amount of which has not been ascertained or the exact amount allocatable to the period for which the final accounts are being made up cannot be ascertained and as such they are charges against profit and loss account.

If no reserves must be provided against profit for such items as the following—

Reserve for discounts on creditors usually based on a percentage on the total amount of the creditors' balances such percentage being the average borne by the total discounts to the payments made during the period or on the average discount rate known to be received.

Reserve for discounts on debtors ascertained similarly to that on creditors and based on the figure remaining after deducting reserve for bad and doubtful debts.

Reserve for bad and doubtful debts ascertained by scrutiny of the list of debtors and making adequate allowance for the amounts expected to become bad or thought to be uncertain of collection or by taking the percentage known to be usual and giving special attention to doubtful debts of exceptional amount.

Reserve for repairs and renewals made to cover wear and tear during the period but when the actual repairs may not be done for some time and made when the amount charged for wear and tear is less than normal. This is often known as a Maintenance Reserve.

Reserves for expenses incurred for which no accounts have been rendered as legal charges, accountancy charges, disputes proceeding damages to property, claims for personal injury, etc.

The treatment of Reserves in the books is similar to that of apportionments. (See BALANCING BOOKS.)

Secret Reserves are often created for various purposes as for example to avoid giving information to competitors and for the purpose of being

his goods through the operation of this Section, he may prove against the estate of the bankrupt in respect of the loss. "Goods" include all chattels personal, but do not include lands or interests in lands, houses, or things affixed to the freehold. They must be not merely goods visibly employed in his trade or business, but goods acquired for the purposes of the business and used for those purposes. They must be in the possession of the bankrupt alone, for the possession of a firm of which the bankrupt is a partner will not suffice. Furniture settled by a bankrupt on his wife, of which he has joint possession, is not in his reputed ownership. Goods properly in the possession of the sheriff, and goods seized by a bailiff, under a distress, are not goods in the possession of the bankrupt. Whoever is entitled to put an end to the appearance of beneficial interest is the true owner. For instance, if a building contract provides that all loose materials and plant brought on the land shall be deemed to be annexed to the freehold, the building owner will be held to be the true owner. The question whether the true owner consents is one of fact to be determined in each case. He must have consented to a state of things from which, had he considered the matter, he must have known that the inference of ownership by the bankrupt must arise. He must know of the fact that the bankrupt has possession. The fact that he made a demand for possession before the act of bankruptcy is sufficient to show that he did not consent. This is so, even if it is proved that the demand did not actually reach the debtor, or that the demand was made on suspicion of insolvency. Trade customs have an important bearing on the question of consent, for where a man has the goods of other persons in his possession in the ordinary course of trade no creditor is deceived. For instance, it is universally known that a warehouseman has possession of goods which are not his. In order to avail the true owner, the custom or usage must be one known generally, and not merely to traders in a particular market. So, although the custom of hotel-keepers to hire furniture has been judicially recognised, the custom of hiring furniture generally has not been recognised so as to protect a man who sells furniture to a householder on the hire-purchase system.

According to *Williams on Bankruptcy*, customs have been set up in the following trades, etc. Boarding-house keeper, coach-builder, clock-maker, bookseller, farmer, wine merchant, furniture dealer, ironmonger, piano hiring, horse dealer. Similarly, goods entrusted to the bankrupt for any ordinary, legitimate purpose are not in his reputed ownership. Thus goods sent on "sale or return" or "on approval" would probably not at the present day be held to be in the order and disposition of the bankrupt. While debts due or growing due to the bankrupt in the course of his trade or business are within the doctrine of his reputed ownership, all debts due to the bankrupt during the period of his trading are not necessarily debts due in the course of his trade, but trade debts are liable to pass to the trustee, although the debtor may have assigned them away. Although, from the absence of notice, consent of the owner may be inferred, the inference will be rebutted if the true owner takes every possible step to obtain possession of the debt or his failure to do so is not his fault. Clauses in action, which are excluded from the operation of the reputed ownership clause,

include shares in a company, a share in the assets of a partnership, debentures, annuities, policies of insurance, and stock in the public funds.

REQUEST NOTE.—This is the name given to a special permit granted by the Customs' authorities to land certain perishable or other goods before the ship has been reported and cleared.

REQUISITIONS.—These are certain questions which are put by the proposed purchaser of an estate to the vendor of the same as to certain matters connected with the property which is put up for sale.

RE-RUMMAGED.—A ship is rummaged when it is discharging its cargo, and re-rummaged when it is taking in its export cargo.

RESERVE.—This is the actual cash in hand, i.e., the notes and the gold and silver coin, which is held by the Bank of England on its assets side. It is, in fact, the money kept by the Bank to meet any demand which may be made upon it by its depositors, either its private depositors or the banks which keep their balances at the Bank of England.

RESERVE FUNDS.—Practically all companies by their articles of association are required to set aside out of profits earned certain sums for the purpose of creating reserves. These reserves may be specifically formed for the purpose of investing the savings of the company in certain sound securities, or if the directors think fit, and the objects of the company permit of it, the reserves may be invested in subsidiary companies. Again, it may be deemed advisable to allow reserve funds to remain in the business, which is tantamount to conserving the resources of the company in regard to its circulating capital. Probably the most common object for creating a reserve fund is one known as reserves for equalisation of dividends, which fund may be drawn upon in future years, if the company falls upon evil days and is, consequently, unable to maintain its average amount of dividend. It is questionable, however, even when a reserve has been so formulated, whether it is policy to fall back upon such reserve unless good reasons can be shown that the company will regain its former profit-earning capacity.

Some high authorities have contended that a reserve which is specified as a "fund" should be substantiated by actual investments, *per contra*, unless the reserve is capable of materialising. It should not be termed a reserve fund but merely "reserve" or "general reserve."

In all cases, reserves may be, as a matter of fact, regarded as habitually representing accumulated profit, but if the fund is merely designated a reserve fund, without any particular appellation as to the cause of its existence as to whether it has been set aside for the purpose of creating additional financial resources to be realised in case of need, such as a reserve fund invested in easily marketable securities or a reserve fund for equalisation of dividends, as above described, or if merely described as a reserve fund, then it is open to the management to apply such a fund in any manner it may think fit, but in all cases directors must be entirely guided by the provisions contained in the articles regulating their company. In Table A (Clause 99) (contained in the first schedule of the Companies [Consolidation] Act, and intended to be a model set of articles), the directors have power, before advising the payment of a dividend, to set aside, out of the profits, any reserve or reserves which they, in their

discretion may deem to be advisable. The reserve so set aside may be applied for meeting unforeseen future contingencies or for the purpose of equalising dividends. The clause further gives them power to employ any reserves so created in the business itself or they may, if desired, invest the sum representing the fund created in any investments they choose but they must not invest in the shares of their own company.

With such powers it behoves the directorate year by year to consider thoroughly its financial status and before recommending any dividend proper regard must be had to requirements as to creating reserve funds and to augmenting those funds from time to time as occasion may offer or necessity demand.

A reserve fund may be drawn upon if it is a general fund for a variety of purposes. It can be applied to if thought necessary for the purpose of reducing capital in cases where the share capital is partially paid up and the improbability of the additional call being needed is foreseen, but in this case the reduction of capital by drawing upon the reserve fund can only be carried out in the prescribed form (see **REDUCTION OF CAPITAL**) if the fund has been invested then the investments may be realised for the purpose of augmenting freehold land buildings or plant. Again if it is desired to make up leeway from a drop of profits in any year it is possible though perhaps according to some authorities not desirable to draw upon the reserve to such an extent as will equalise the dividend paid in that year. Several specific forms of reserve accounts may be cited as follows—

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RESERVE.—This is the actual cash in hand, &c., the notes and the gold and silver coin, which is held by the Bank of England on its assets side. It is, in fact, the money kept by the Bank to meet any demand which may be made upon it by its depositors, either its private depositors or the banks which keep their balances at the Bank of England.

RESERVE FUNDS.—Practically all companies by their articles of association are required to set aside out of profits earned certain sums for the purpose of creating reserves. These reserves may be specifically formed for the purpose of investing the savings of the company in certain sound securities, or if the directors think fit, and the objects of the company permit of it, the reserves may be invested in subsidiary companies. Again, it may be deemed advisable to allow reserve funds to remain in the business, which is tantamount to conserving the resources of the company in regard to its circulating capital. Probably the most common object for creating a reserve fund is one known as reserves for equalisation of dividends, which fund may be drawn upon in future years, if the company falls upon evil days and is, consequently, unable to maintain its average amount of dividend. It is questionable, however, even when a reserve has been so formulated, whether it is policy to fall back upon such reserve unless good reasons can be shown that the company will regain its former profit-earning capacity.

Some high authorities have contended that a reserve which is specified as a "fund" should be substantiated by actual investments, *per contra*, unless the reserve is capable of materialising. It should not be termed a reserve fund but merely "reserve" or "general reserve."

In all cases, reserves may be, as a matter of fact, regarded as liability representing accumulated profit, but if the fund is merely designated a reserve fund, without any particular appellation as to the cause of its existence as to whether it has been set aside for the purpose of creating additional financial resources to be realised in case of need, such as a reserve fund invested in easily marketable securities or a reserve fund for equalisation of dividends, as above described, or if merely described as a reserve fund, then it is open to the management to apply such a fund in any manner it may think fit, but in all cases directors must be entirely guided by the provisions contained in the articles regulating their company. In Table A (Clause 99) (contained in the first schedule of the Companies [Consolidation] Act, and intended to be a model set of articles), the directors have power, before advising the payment of a dividend, to set aside, out of the profits, any reserve or reserves which they, in their

discretion may deem to be advisable. The reserve so set aside may be applied for meeting unforeseen future contingencies or for the purpose of equalising dividends. The clause further gives them power to employ any reserves so created in the business itself or they may if desired invest the sum representing the fund created in any investments they choose but they must not invest in the shares of their own company.

With such powers it behoves the directorate year by year to consider thoroughly its financial status and before recommending any dividend proper regard must be had to requirements as to creating reserve funds and to augmenting those funds from time to time as occasion may offer or necessity demand.

A reserve fund may be drawn upon if it is a general fund for a variety of purposes. It can be applied to if thought necessary for the purpose of reducing capital in cases where the share capital is partially paid up and the improbability of the additional call being needed is foreseen but in this case the reduction of capital by drawing upon the reserve fund can only be carried out in the prescribed form (see REDUCTION OF CAPITAL) if the fund has been invested then the investments may be realised for the purpose of augmenting freehold land buildings or plant. Again if it is desired to make up leeway from a drop of profits in any year it is possible though perhaps according to some authorities not desirable to draw upon the reserve to such an extent as will equalise the dividend paid in that year. Several specific forms of reserve accounts may be cited as follows—

Dividend Reserve Account. It is probable that if a balance sheet contains an item under its liabilities specifically designated as a reserve account for the purpose of drawing upon in case of need as above mentioned no objection is likely to be raised to any encroachments upon it.

Reserves for Depreciation on Plant. It is the custom in some industrial concerns to create and build up a reserve which will suitably provide for wear and tear of machinery and plant or for obsolescence and possible necessary replacements. In such cases the assets representing machinery and plant are not subjected to any deduction for depreciation providing the reserve *per contra* is adequate. (See DEPRECIATION.)

Reserves for Loss on Securities. It frequently becomes expedient to set aside out of profits a sum which will compensate for any fall in the market values of investments made by a company but where those securities regain their former values on the market advantage might be and usually is taken, of transferring the sums formerly set aside as a reserve under this head to a reserve for other purposes because applying the sums thus set aside to write up the book values of the investments would be tantamount to placing a false value upon those assets.

Reserves for Debenture Redemption. This is more usually provided for under the heading of Sinking Fund (see).

RESERVE LIABILITY.—This is a form of liability which represents uncalled capital upon shares issued by the provisions of the Companies (Consolidation) Act 1908 (Sec. 48). A company whose share capital is unlimited can by a special resolution passed for the purpose of registration of the company as a company limited by shares according to the provisions of that statute make

provision in the same resolution that any specified portion of such share capital as has not been called up shall be incapable of being so called up except and only in the event of the winding up of the company. The company may further by the same Section increase the nominal amount of its existing shares and specify that the amounts so increased shall be regarded as uncalled capital on the understanding that the uncalled capital amount be not called up except for the purposes of winding up. The following Section 59 empowers a company already enjoying the full privileges of limited liability to make provision that any of its capital which is not called up shall be incapable of being called up except and only for the purpose of the winding up of the company.

This is a practice very extensively indulged in by insurance and banking companies. There are only a few of such companies where this form of

Reserve Liability is not found. The practice is calculated to and in the majority of cases does add considerably to the stability and the confidence placed in those concerns whose balance sheets exhibit such a state of affairs especially if it can be shown that the directors are men of worth and repute.

RESERVE PRICE.—This is the name which is given to the lowest price which a person is willing to accept for goods which are offered for sale at auction or otherwise.

RESERVES.—Reserves differ from reserve funds in that they are provisions for losses which have occurred but the exact amount of which has not been ascertained or the exact amount allocatable to the period for which the final accounts are being made up cannot be ascertained and as such they are charges against profit and loss account.

Hence reserves must be provided against profit for such items as the following—

Reserve for discounts on creditors. usually based on a percentage on the total amount of the creditors' balances such percentage being the average borne by the total discounts to the payments made during the period or on the average discount rate known to be received.

Reserve for discounts on debtors ascertained similarly to that on creditors and based on the figure remaining after deducting reserve for bad and doubtful debts.

Reserve for bad and doubtful debts ascertained by scrutiny of the list of debtors and making adequate allowance for the amounts expected to become bad or thought to be uncertain of collection or by taking the percentage known to be usual and giving special attention to doubtful debts of exceptional amount.

Reserve for repairs and renewals made to cover wear and tear during the period but when the actual repairs may not be done for some time and made when the amount charged for wear and tear is less than normal. This is often known as a Maintenance Reserve.

Reserves for expenses incurred for which no accounts have been rendered as legal charges accountancy charges disputes proceeding damages to property claims for personal injury etc.

The treatment of Reserves in the books is similar to that of apportionments. (See BALANCING BOOKS.)

Secret Reserves are often created for various purposes as for example to avoid giving information to competitors and for the purpose of being

his goods through the operation of this Section, he may prove against the estate of the bankrupt in respect of the loss "Goods" include all chattels personal, but do not include lands or interests in lands, houses, or things affixed to the freehold. They must be not merely goods visibly employed in his trade or business, but goods acquired for the purposes of the business and used for those purposes. They must be in the possession of the bankrupt alone, for the possession of a firm of which the bankrupt is a partner will not suffice. Furniture settled by a bankrupt on his wife, of which he has joint possession, is not in his reputed ownership. Goods properly in the possession of the sheriff, and goods seized by a bailiff, under a distress, are not goods in the possession of the bankrupt. Whoever is entitled to put an end to the appearance of beneficial interest is the true owner. For instance, if a building contract provides that all loose materials and plant brought on the land shall be deemed to be annexed to the freehold, the building owner will be held to be the true owner. The question whether the true owner consents is one of fact to be determined in each case. He must have consented to a state of things from which, had he considered the matter, he must have known that the inference of ownership by the bankrupt must arise. He must know of the fact that the bankrupt has possession. The fact that he made a demand for possession before the act of bankruptcy is sufficient to show that he did not consent. This is so, even if it is proved that the demand did not actually reach the debtor, or that the demand was made on suspicion of insolvency. Trade customs have an important bearing on the question of consent, for where a man has the goods of other persons in his possession in the ordinary course of trade no creditor is deceived. For instance, it is universally known that a warehouseman has possession of goods which are not his. In order to avail the true owner, the custom or usage must be one known generally, and not merely to traders in a particular market. So, although the custom of hotel keepers to hire furniture has been judicially recognised, the custom of hiring furniture generally has not been recognised so as to protect a man who sells furniture to a householder on the hire-purchase system.

According to *Williams on Bankruptcy*, customs have been set up in the following trades, etc.: Boarding-house keeper, coach-builder, clock-maker, bookseller, farmer, wine merchant, furniture dealer, ironmonger, piano hiring, horse dealer. Similarly, goods entrusted to the bankrupt for any ordinary, legitimate purpose are not in his reputed ownership. Thus goods sent on "sale or return" or "on approval" would probably not at the present day be held to be in the order and disposition of the bankrupt. While debts due or growing due to the bankrupt in the course of his trade or business are within the doctrine of reputed ownership all debts due to the bankrupt during the period of his trading are not necessarily debts due in the course of his trade, but trade debts are liable to pass to the trustee, although the debtor may have assigned them away. Although, from the absence of notice, consent of the owner may be inferred, the inference will be rebutted if the true owner takes any possible step to obtain payment of the debt or his failure to do so is not in fact a bona fide action, which are excluded from the operation of the reputed ownership clause,

include shares in a company, a share in the assets of a partnership, debentures, annuities, policies of insurance, and stock in the public funds.

REQUEST NOTE.—This is the name given to a special permit granted by the Customs' authorities to land certain perishable or other goods before the ship has been reported and cleared.

REQUISITIONS.—These are certain questions which are put by the proposed purchaser of an estate to the vendor of the same as to certain matters connected with the property, which is put up for sale.

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RESERVE FUNDS.—Practically all companies by their articles of association are required to set aside out of profits earned certain sums for the purpose of creating reserves. These reserves may be specifically formed for the purpose of investing the savings of the company in certain sound securities, or if the directors think fit, and the objects of the company permit of it, the reserves may be invested in subsidiary companies. Again, it may be deemed advisable to allow reserve funds to remain in the business, which is tantamount to conserving the resources of the company in regard to its circulating capital. Probably the most common object for creating a reserve fund is one known as reserves for equalisation of dividends, which fund may be drawn upon in future years, if the company falls upon evil days and is, consequently, unable to maintain its average amount of dividend. It is questionable, however, even when a reserve has been so formulated, whether it is policy to fall back upon such reserve unless good reasons can be shown that the company will regain its former profit-earning capacity.

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the determination of the lease exceeds the amount payable under the mortgage at the date of the foreclosure

RHATANY ROOT—The root of a Peruvian shrub the *Amaria trandra*. It is used as an astringent and a styptic its medicinal properties being due to the presence of rhatanua tannic acid. In Portugal the root is added to port wine for the purpose of deepening the colour. It is also employed in the manufacture of tooth powders

RHUF FIBRE—Also known as *Rame Fibre*. The strong silky inner fibre of the *Barkneria nivea* from which grass cloth (g v) is made. It loses much of its lustre in the process of manufacture and thus together with the difficulty of production as compared with jute and linen has prevented its introduction into Britain

RHINOCEROS—This animal is now found only in Africa and Asia. It is commercially useful for its skin and horns. The latter are made into walking sticks, umbrella handles, cups, etc. and the former which is of great thickness may be tanned

RHODESIA—Position, Area and Population. Rhodesia (called after Cecil John Rhodes) occupies the whole of the region lying between the north and west of the Transvaal and 22 of south latitude and the southern boundaries of Belgian Africa (Belgian Congo) and having the Portuguese and German spheres on its east and west. The Zambesi River divides it into two portions called Northern and Southern Rhodesia. The whole country is administered by the British South Africa Company who obtained a Royal Charter in 1889. Southern Rhodesia which includes Matabeleland and Mashonaland has an area of 143 575 square miles and a population of about 700 000, nearly two-thirds of whom are Mashonas and the remainder mainly Matabeles. There are only about 17 000 whites but the number is steadily increasing. Northern Rhodesia has an area of about 291 000 square miles and a population of nearly 500 000 but less than 1 000 are whites.

Build. Rhodesia is a plateau varying in height from 3 500 to 5 000 ft. and possessing typical savannah scenery. The chief rivers are the Zambesi and its tributaries the Kafue and Loangwa. Lakes are found in the north the most notable being Bangweulu and on the northern boundary Tanganyika.

Climate. Though lying in the tropics the elevation of Rhodesia makes its climate cooler than it would otherwise be and Southern Rhodesia is suited to Europeans. There are two seasons in the year: the wet from October to April (the summer) and the dry from May to September (the winter). The temperature varies from 50 to 80. The annual rainfall in Southern Rhodesia ranges from about 24 to 30 in. A factor of great importance to the whole region is the high percentage of sunshine. Tropical sub-tropical and even temperate products can be grown.

Production and Industries. Mining is, and will probably remain for a long period the premier industry of Rhodesia. It is the mainstay of all other industries. Gold is mined both in the north and the south but more especially in the south. The Wankie coalfield north west of Bulawayo produces excellent coal. Silver lead copper chrome iron asbestos diamonds and other precious stones are found. The chief difficulty is the shortage of native labour.

Agriculture. Many parts of Rhodesia are well

sited for agriculture especially irrigation methods are resorted to in the winter. The interests of the agriculturist are now largely bound up with the mining development of the country but probably long before the mines are worked out a permanent stock raising and agricultural industry supplying a world market will have been established. The farms generally range from 3 000 to 6 000 acres. Maize is the staple crop but wheat oats and barley are also grown under irrigation. Tobacco both of the Turkish and Virginian varieties grows with success in Southern Rhodesia. Millet Kaffir corn groundnuts melons beans pumpkins and gourds are important native crops. Fruit growing is receiving attention especially for citrus fruits. Rhodesian oranges and lemons have already met with a favourable reception on the London market. An arrangement has been entered into between the Company and the British Cotton Growing Association for the development of the cotton growing industry in North Western Rhodesia and high hopes are entertained of its future importance. Indian rubber also promises success in the future.

The Pastoral Industry. Rhodesia is considered by many authorities to be an excellent ranching country. The native cattle thrive well and with a steady upgrading by means of the importation of good breeding stock a prosperous future seems assured. Sheep and goats are to be found over most of the country. Pigs find a ready market; the growth of maize is an advantage. Dairying practised to a minor extent now promises an appreciable increase in the near future. One of the greatest drawbacks of Rhodesia is the peculiar disease known as horse sickness which results in high prices being charged for salted horses (horses immune to the disease). Inoculated mules are largely used.

Communications. In Southern Rhodesia there are about 3 000 miles of roads. Where there are no railways or wagons are the common mode of transport. The Cape Railway (hereafter hoped to be part of the trans-continental Cape to Cairo route) crosses both Southern and North Western Rhodesia. The main line in Southern Rhodesia runs through Bulawayo and Salisbury and from Salisbury a branch line runs through Umtali to the Portuguese seaport of Beira. From Bulawayo a line proceeds through the Wankie coalfield crosses the Zambesi at the Victoria Falls and extends to the Belgian Congo. The Rhodesian railways will be continued to Lake Tanganyika.

Commerce. The chief exports are gold fruits wool tobacco cattle and diamonds. The imports are mainly cotton goods machinery and iron goods tea and sugar. Most of the trade is with the neighbouring South African colonies and the United Kingdom the overseas trade being carried on chiefly through Beira.

Trade Centres. The chief centres are only small towns. Bulawayo the capital of Matabeleland is the greatest commercial centre and Salisbury the capital of Mashonaland is the seat of the government. Other towns are Umtali and Victoria in Mashonaland Gwelo in Matabeleland and Fort Lockersburg Abercorn and Fife in Northern Rhodesia.

Mails are despatched to Rhodesia, as to South Africa generally, every Saturday. The time of transit to Bulawayo is about twenty-two days.

For map see SOUTH AFRICA page 260

RHUBARB.—A name given to various species of plants. The root so much used in medicine on

HE the said Edward Franks AS BENEFICIAL OWNER doth hereby GRANT
unto the said George Hills

ALL THAT (describing the property in full)

TO HOLD the said premises UNTO AND TO THE USE OF the said
George Hills in fee simple subject to the estate for life of the
said Norman Owen in the same premises

AND the said George Hills doth hereby covenant with the
said Edward Franks his heirs executors administrators and assigns
that he the said George Hills his heirs executors or administra-
tors will when and as soon as any succession duty shall become
payable in respect of the premises hereby assured upon the death
of the said Norman Owen pay and discharge the same and will at
all times keep the said Edward Franks his heirs executors admini-
strators and assigns effectually indemnified against the same
and every part thereof and all actions proceedings costs charges
claims and demands whatsoever in respect thereof

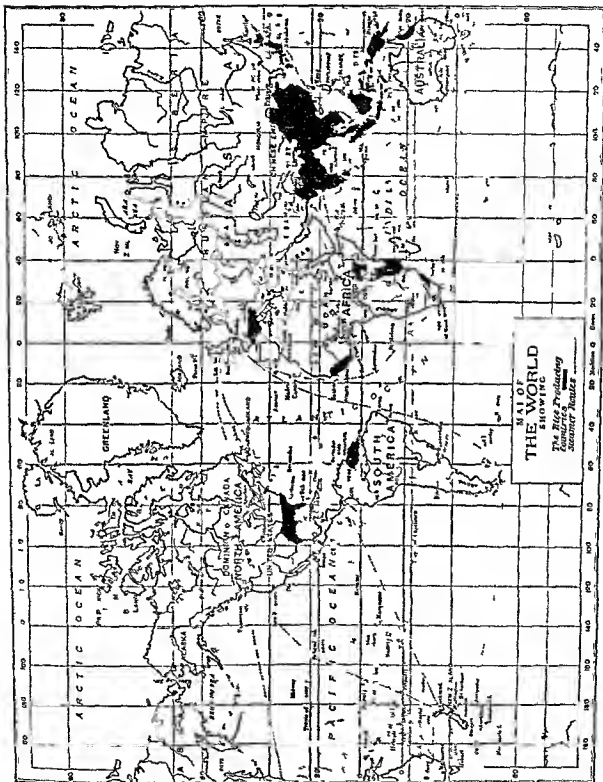
IN WITNESS whereof the said parties hereto have hereunto
set their respective hands and seals the day and year first above
written

EDWARD FRANKS

LS

GEORGE HILLS

LS



account of its cathartic properties is obtained from the *Rheum palmatum*, which is chiefly grown in China, though frequently known as Turkey rhubarb. The garden varieties found in Europe are cultivated for the sake of their stalks, which are much employed in cooking, especially for pies and jams. Rhubarb wine may be prepared both from the root of the medicinal variety and from the stalk of the culinary species.

RIBBONS.—Narrow strips of silk, satin, velvet, or mixed fabrics, chiefly employed as trimmings. Great Britain imports largely from Switzerland, Belgium, Germany, and especially from France, where St. Etienne is the chief seat of the manufacture. Coventry is the centre of the English industry.

RI.—(See FOREIGN WEIGHTS AND MEASURES—JAPAN.)

RICE.—One of the most important cereals. It is obtained from the *Oryza sativa*, a species of grass, grown extensively throughout Asia, especially in the East Indies, and in other tropical and sub-tropical countries, e.g., Central America and the Carolinas, whence it is largely exported to Europe. Rice forms the staple food of most Asiatics, and in China and Japan a wine is prepared from it. It contains large quantities of starch, which is much used for industrial purposes. Rice in the husk is known as paddy, and the husk itself, together with the other refuse, is of value as a cattle food, while the straw is used in millinery. The grain is sometimes employed by British distillers.

RICE PAPER.—A smooth, white paper made in the East from the pith of the *Falsia Araha papyrifera*, a tree peculiar to the island of Formosa. It is much used for making artificial flowers and for receiving coloured drawings.

RIDER.—Any statement that is added at the end of a document, concerning some special recommendation which arises out of the subject matter dealt with in the document itself. It also signifies some clause added to a resolution or a verdict.

RIG.—(See RIGGING THE MARKET.)

RIGGERS AND RUNNERS.—*Riggers*. This is a name derived from the rigging of a ship, and is anything from the hull to the masthead, but in these days the rigger's work is in connection with a vessel loading or discharging cargo, dry docking, and, in fact, anything connected with shipping where ropes are used, that is to say, splicing, serving or knotting of ropes. Rigging is mainly connected with sailing vessels, and with the advent of steamships the business has greatly declined, until now there is not one-tenth of the rigging required that was formerly the case when shipping was done solely by means of the sailing vessel.

Runners. These are the crews of vessels engaged for a voyage only, known as a "run." Runners are paid an agreed sum for the run. The runner is, of course, a sailor, and may hold a position from captain to cabin boy, but by the term "runner" it is generally understood either deckhand or fireman. To illustrate the subject, we will take the case of a ship which has been sold at Newcastle for delivery at London to undergo thorough overhauling and possibly refitting. A crew would be taken on board at Newcastle at an agreed sum to take the vessel to London, and as soon as she was berthed at the latter place the run would be finished, and consequently the runners' undertaking would be at an end.

At other duties which come under the category of

runners' work would be if a vessel has to be moved from one dock or harbour to another, in which case the runners are paid at an agreed sum per tide, if a tidal harbour has to be negotiated.

RIGGING THE MARKET.—This is a term which is used to denote the forcing up or down, by means of manipulations of the quotation, of a certain security, regardless of its merits. It is often done in much the same manner as is described under the heading of CORNERS. A group of individuals may arrange secretly to purchase thousands of shares in a particular company, in such manner as to cause unsuspecting dealers or speculators to sell a larger number than they possess; then suddenly to insist upon delivery, and to force the price up to an enormous level, the unhappy sellers being practically at the mercy of the "riggers." Such cases as this, viz., of more shares having been purchased than existed, have actually occurred. A market rig need not, however, go to these lengths; such a group of speculators as is here referred to might make arrangements with large holders of the security not to part with their holdings, and by continued purchases might cause a shortage sufficient to put up the price of the shares very considerably, when they sell their holdings at a big profit. Or a "rig" may take the shape of a fictitious value being put upon shares with the intention of inducing the general public to come in and buy them at the enhanced price.

RIGHT OF MEETING.—There is no statute in English law expressly conferring the right of persons to meet together. That right, securely established in our constitution, flows from the rights of personal freedom and of free speech laid down in a series of decisions by the courts of law. Provided he does not infringe the public law or anyone's private rights, each single individual has a right to come and go where he pleases and to say what he pleases. The right of meeting is simply that right of the single individual exercised by a number of individuals together at the same time, though in certain cases the permission of some authority may be required. It is true that such collective exercise of the right involves a much greater risk of untoward legal consequences than the individual exercise of it, but that is merely incidental, the right—individually and collectively—is much the same, though more circumspection is needed in one case than in the other.

The first necessary consideration respecting a meeting is whether it is a lawful one. A meeting may be for an unlawful purpose, and, therefore, entirely unlawful; or it may be for a lawful purpose, and only becomes an unlawful meeting by reason of that purpose being carried out in an unlawful fashion. Some meetings are made unlawful by statute, such as those which constitute illegal drilling; and open-air meetings held near Westminster to petition Parliament. There are various other statutes dealing with riots and cognate matters. Generally, as to unlawful assemblies, see ASSEMBLY.

A lawful meeting may be held indoors or outdoors, and in any place subject to considerations of orderliness, and provided it does not infringe public or private rights or local by-laws. We will deal briefly with each of these contingencies—

First, as to Orderliness. Nothing must be done to cause a breach of the peace, or that will create in the minds of normal persons a reasonable fear that such breach of the peace will result. A meeting,

there has been an uninterrupted enjoyment for a period of twenty years. Apart from grant or prescription a right of way may arise from necessity. Thus if an estate is granted to a person and the estate is completely surrounded by other land there must be a right of way so that the owner may reach his own estate.

RIN—(See FOREIGN MOVES.—[JAPAN].)

RING—In business matters a ring is a term used to signify a combination of capitalists who have combined together for the purpose of maintaining the price of goods wares or merchandise and also of stocks and shares far above their real market value by preventing the natural circulation of the same. Thus the shares of a particular joint stock company may be in great demand owing to the success of its schemes. If the shareholders or the vast majority of them combine so as to withhold the shares from the public the demand will increase to such an extent that the prices will become inflated to an abnormal degree and then only will the combination agree amongst themselves to release a portion of their holding and offer the shares for sale. (See TRUSTS.)

RIOT—The common law misdemeanour (*qv*) of riot is constituted by three or more persons assembling or being together and having for their object the carrying out of some unlawful or violent act or the carrying out of some lawful act by unlawful means *eg* under circumstances of violence threats tumults etc so as to create terror and alarm amongst the King's subjects. By statute law the Riot Act 1714 a riot is constituted a felony when twelve or more persons unlawfully riotously and tumultuously assemble together to the disturbance of the public peace for one hour after a proclamation has been made by the sheriff under-sheriff a justice or a mayor of the borough ordering the assembled crowd to disperse.

Prior to the year 1836 when damage to property was done by rioters the hundred had to make good the same but now by the Riot Damages Act 1836 all claims for damage must be made against the police authorities of the district in which it occurs.

ROAD—A place where ships can ride at anchor some distance from the shore.

ROADSTAD—A term signifying the same thing as a road (*qv*).

ROBBERY—This is the offence of stealing from the person when the act is accompanied by violence or by the threat of violence so that the person from whom the thing stolen is injured or placed in bodily fear. The extreme penalty is penal servitude for life and in certain cases but in the discretion of the judge who tries the offender flogging may be added as a punishment in addition to imprisonment.

ROCHELLE SALT—A saline purgative consisting of tartrate of potash and soda prepared from cream of tartar and carbonate of soda. It is also known as Seignette's salt having been discovered by a Rochelle apothecary of that name towards the end of the seventeenth century.

ROCK SALT—(See SALT.)

ROD—An English linear measure of 5½ yards or 16½ feet. It is nearly equal to 5 metres. In many parts a rod is used for pole or perch.

RODE RODEL—(See FOREIGN WEIGHTS AND MEASURES.—DENMARK.)

ROJ DL—(See FOREIGN WEIGHT AND MEASURES.—HOLLAND.)

ROLLING STOCK—The supply of engines

carriages trucks cars etc possessed by such companies as railways and tramways.

ROLLS, MASTER OF THE—(See MASTER OF THE ROLLS.)

ROOD—In superficial measurement the rood is the fourth part of an acre and contains 40 square poles or perches each consisting of 30½ square yards. Comparing with the metric system the rood is slightly more than one tenth of a hectare or more exactly it is equal to 0.10117 hectare.

ROOT OF TITLE—The foundation from which every owner of land builds up his right to hold and retain the same. Whenever dealings take place with regard to land either by way of conveyance or of mortgage the purchaser or the mortgagee as the case may be desires to be convinced of the nature of the estate which is being transferred to him and of the perfect title of his immediate transferor. For that reason the deed relating to the property are inspected and it is almost always agreed that the tracing of the title or right shall be deemed to commence with some specified one. This deed is called the root of title.

Unless there is any agreement to the contrary a purchaser of land is entitled to have a satisfactory history of the property for the forty years preceding the date of the execution of the conveyance. In practice however a twenty years title is generally accepted as sufficient.

By the Vendor and Purchaser Act 1874 Section 2 it is provided as follows—

Recitals statements and descriptions of facts matters and parties contained in deeds instruments Acts of Parliament or statutory declarations twenty years old at the date of the contract shall unless and except so far as they shall be proved to be inaccurate be taken to be sufficient evidence of the truth of such facts matter and descriptions.

Again by the Conveyancing Act 1881 section 3 ss 3 it is provided—

A purchaser of any property shall not require the production or any abstract or copy of any deed will or other document dated or made before the time prescribed by law or stipulated for the commencement of the title.

In the case of the purchase of leaseholds the abstract of title (*qv*) should always commence with the lease itself even though the lease has already lasted for a period of over forty years. (See TITLE DEEDS.)

ROSEMARY—The *Posmarinus officinalis* an evergreen shrub of fragrant odour and pungent taste found in the Mediterranean countries and cultivated in English gardens. The essential oil it yields known as oil of rosemary is much used in preparations for stimulating the growth of the hair and is also an important ingredient of Eau de Cologne and other perfumes. The spirit obtained from the twigs by distillation is employed in pharmacy to impart an agreeable odour to liniments ointments and plasters.

ROSE OIL—(See OTTO or ROSIS.)

ROSI WOOD—A fragrant and valuable fancy wood. It has beautiful markings and is largely employed in cabinet making. The best quality is obtained from the *Dalbergia nigra* of Brazil but trees of the same genus are found in other tropical regions especially in Honduras Jamaica and Barmah.

however, if held lawfully for a lawful purpose, is not unlawful merely because it may excite other persons to act unlawfully, but grossly to provoke reasonable people is certainly an abuse of the right of meeting.

Second, as to **Public Rights**. These must not be interfered with, as by obstructing the roadway or other passage which the public have a right to use, or by causing any other common nuisance, such as noise.

Third, as to **Private Rights**. The meeting must respect these, and not commit any trespass upon, or injury to, private property. Under this head may be mentioned the question of slander, which affects the individuals forming the meeting. In the case of meetings required to be held by law, such as those of local authorities and public companies, statements by persons who have a duty to be present are privileged, not absolutely as Parliamentary speeches are, but so long as the occasion is not maliciously abused. At meetings not held in pursuance of law, there is no privilege, and speakers may be called to account for their utterances.

Fourth, as to local **By-laws**. Restrictions and conditions as to meetings, particularly open-air meetings, are sometimes imposed by local authorities in their by-laws, and these should be obeyed. It is true that such by-laws, or some of them, may be *ultra vires*, but it will probably only be by costly proceedings that a legal declaration to that effect can be obtained.

We will now consider the respective rights of the conveners of a meeting, and of those attending it or desiring to attend it. The conveners of a meeting which is held on private premises, whether owned by them or temporarily hired for the purpose, have entire and sole control of the proceedings and as to whom they will allow to be present. Anyone attending contrary to their wishes is a trespasser, and may be dealt with accordingly. Those who have been invited or allowed to enter are only there on sufferance, which may be withdrawn at any time, and even those who have paid for admission may be required to leave, their only remedy being an action for damages.

A meeting held in a public place is on quite a different footing, as, of course, the conveners have no better right to occupy the spot than anyone else who may care to go there. Indeed, they are worse off, seeing that they are more likely to be held responsible for any wrong done by the meeting. Everybody is free to attend such a meeting, but proceedings may be taken under the Public Meeting Act, 1908, against anyone seriously disturbing it. That Act is an important addition (from some points of view, perhaps, an unnecessarily strong one) to the safeguards of the right of meeting. It makes it a legal offence to disturb a lawful public action of its business. If the meeting is a political action during an election, the punishment, on conviction, is specially serious, as it includes disfranchisement. The Act covers open-air meetings equally with others.

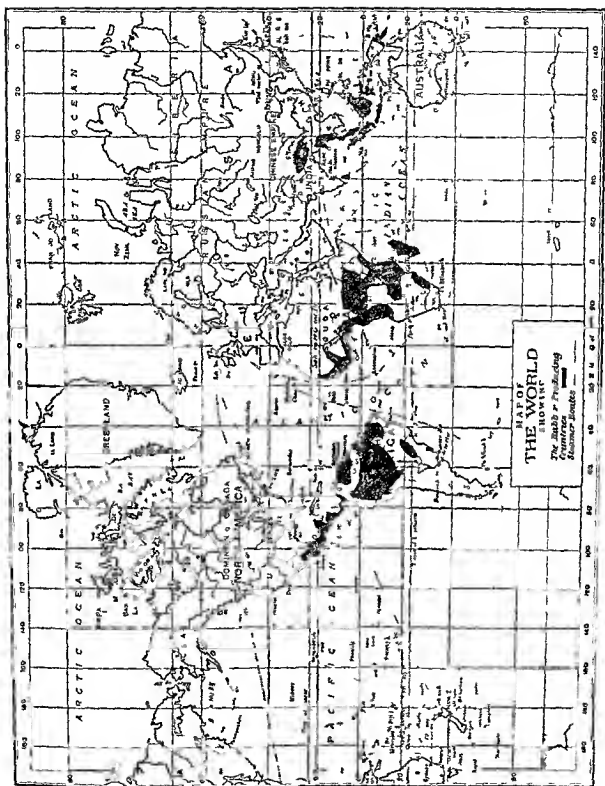
Having regard to possible by-laws and questions of traffic, convenience, and custom, it is always highly desirable to consult the police before arranging an open-air meeting, and to follow their advice, except on those very special occasions when the public right to meet at some particular spot is being asserted and tested in the face of the authorities.

The Press have no better right to attend meetings than the public, unless, of course, they are invited, as they generally are. But whether expressly invited or not, they are usually welcomed and their convenience specially provided for.

The question of the right of meeting sometimes arises in connection with a popular protest against the closing of a right-of-way. Such a protest usually takes a more active form than a simple gathering and speeches of remonstrance. Those present proceeding to remove the obstruction. While in these local disputes the popular outburst is often in the right, and, indeed, in itself affords some proof of the reality of the right sought to be preserved, this is not always so, and the demonstrators must take the risk of being held to be trespassers and liable for damage. Assuming, however, that an established right-of-way has been wrongfully closed, it is not unlawful for an assembly of persons to proceed to the spot and break down the obstruction, provided they do so peaceably, in an orderly fashion, and without causing fear to other persons. (See **ASSEMBLY**.)

RIGHT OF SEARCH.—By international law (*qv*) a belligerent has a right to capture the private property of an enemy at sea. And thus remains the general rule in spite of many strong protests against the right and the efforts which have been made to put an end to it. (See **DECLARATION OF LONDON**.) But if the goods are on board a vessel which does not fly the flag of the enemy, the right of capture does not arise unless the goods are contraband of war (*qv*), i.e., generally speaking, such goods as may be utilised for the furtherance of hostile enterprises. In order to prevent any breach of neutrality rules, a belligerent is permitted to visit merchantmen, no matter under what flag they are flying, and to make certain inquiries. If there is any suspicion of irregularity there then arises the right to search for contraband goods. If the visit or the search is resisted, or if contraband goods are found, the vessel is brought before a Prize Court (*qv*) for condemnation. The rules as to search are far from uniform, and in the past Great Britain has claimed greater rights than any other country. In times of peace there is no right of search, unless there is a suspicion of piracy or slave-trading, and also in connection with the North Sea fishing boats, this latter right having been agreed upon by the northern countries of Europe in order to put a stop to what is known as "coopering," which is the illicit dealing in spirits amongst the boats themselves.

RIGHT OF WAY.—This is one of the most important of those peculiar rights possessed by one person over the land of another, known by the name of easements (*qv*). It means that by some means or other the landowner has put himself into such a position that certain persons or the public generally have obtained the right to pass over his land in a certain direction, or by a certain path. This right is gained either by grant (*qv*) or by prescription (*qv*). If it is by grant, the right is clearly defined by the instrument creating it. If by prescription, the right is obtained, generally speaking, by reason of the way having been used by the public for a certain period without interruption. This is provided for by the Prescription Act. If a landowner allows people to pass over his lands without hindrance for a period of forty years, an indefensible right of way is gained; and it is very difficult to defeat a claim of a right if



ROTTENSTONE.—A soft, porous stone, consisting almost entirely of silica. It is found in Derbyshire and South Wales, and, when powdered, is much used as a polishing agent for metallic surfaces.

ROTTULO.—(See FOREIGN WEIGHTS AND MEASURES—EGYPT)

ROUBLE.—(See FOREIGN MONEYS—RUSSIA)

ROUGE.—Jewellers' rouge is a variety of oxide of iron obtained by calcining copperas. It is a fine, dark red powder used for polishing gold, silver, and speculum metal. The cosmetic which gives an artificial colour to the complexion is also known as rouge. Toilet rouge consists of a preparation of French chalk and some red colouring matter, such as carthamine, the dye obtained from safflower (*qv*).

ROUMANIA or RUMANIA.—This is one of the Balkan States, formerly composed of Moldavia and Wallachia, to which must now be added Dolruja. It was declared independent in 1878, and was advanced to the dignity of a kingdom in 1881. Bounded on the north-east by Russia and on the east by the Black Sea, it is divided from Bulgaria by the Danube, and from Hungary by the Transylvanian Alps and the Carpathian Mountains. The total area of Roumania is 50,720 square miles, and the population is about 7,000,000.

Relief. Roumania is much less elevated than any of the other Balkan States, in fact, it consists mainly of a series of terraces which slope from the mountains which form its western boundaries to the Danube and the Pruth, the latter being the river which separates the country from Russia.

Productions. The soil is, perhaps, the richest in Europe, but the extremes of heat and cold do not allow it to be as productive as it would be under more advantageous climatic conditions. Nevertheless, it is one of the most important grain-producing countries, and there are extensive crops raised of wheat, maize, millet, barley, rye, beans, and peas. The country is also extremely rich in cattle and sheep. The vine flourishes, fruits are raised in abundance, and the forests are a source of much wealth. Minerals are said to be very plentiful, but there is little working of them, with the exception of salt and petroleum. Salt is a State monopoly. The output of crude oil has increased more than ten-fold during the last decade.

Railway communication is rapidly increasing, and a great improvement has taken place recently as regards telegraphs.

Towns. *Bucharest* is the capital, with a population of 300,000.

Kustendje is the principal port on the Black Sea.

Suliva, Tulcea, Galatz, Braila, and Turnu-Severin are Danubian ports through which much of the trade of the country is carried on.

Jassy is the old capital of Moldavia.

Mails are despatched to Roumania several times daily, and the time of transit is a little over 2½ days.

For Map, see **TURKEY**

ROUP.—This is the Scotch term for a sale by auction. (See **AUCTION**)

ROYAL ARMS, USE OF.—There is a keen desire on the part of many tradesmen to use the royal arms, as indicating that they have in some way or other obtained a kind of special testimonial that their goods are of a superior character. The use of the royal arms is forbidden unless the user has received an authority to exhibit them in connection

with his trade. The penalty for an unauthorised assumption of the royal arms (or arms so nearly resembling them as to be calculated to deceive) is £20. Again, any person is liable to the same pecuniary penalty who falsely represents that goods are made by a person holding a royal warrant, or for the service of the King or any member of his family, or for a government department.

ROYALTIES AND ROYALTY ACCOUNTS.—Mineral leases, in addition to stating the amount of royalty to be paid to the landlord per ton, usually contain a stipulation to the effect that a certain minimum rent shall be paid to the landlord in the early years of the lease, when the royalties are of a smaller amount than such minimum rent. The lease generally gives a power to the lessee to deduct from subsequent royalties in excess of the minimum rent the amount by which the minimum rent paid in the early years has exceeded the total amount of royalties on mineral raised. A time limit is often fixed also, preventing deduction of overpayments when such are of older date than the period stated.

As regards the entries in the books, it will be necessary to put through the Journal—

(a) the amount to be credited to the landlord;
(b) the amount to be debited to Royalties Account; and

(c) the amount to be debited or credited, as the case may be, to a Minimum Rent Recoverable Account.

Example. A colliery company enters into a mineral lease of a coalfield for a term of years at a minimum rent of £400 per annum, merging into a royalty of 1s per ton, any excess of minimum rent over royalties during the first five years of the lease to be deducted from future royalties in excess of the minimum. The output in the first year is 700 tons, in the second year 4,000 tons, and in the third year 29,500 tons.

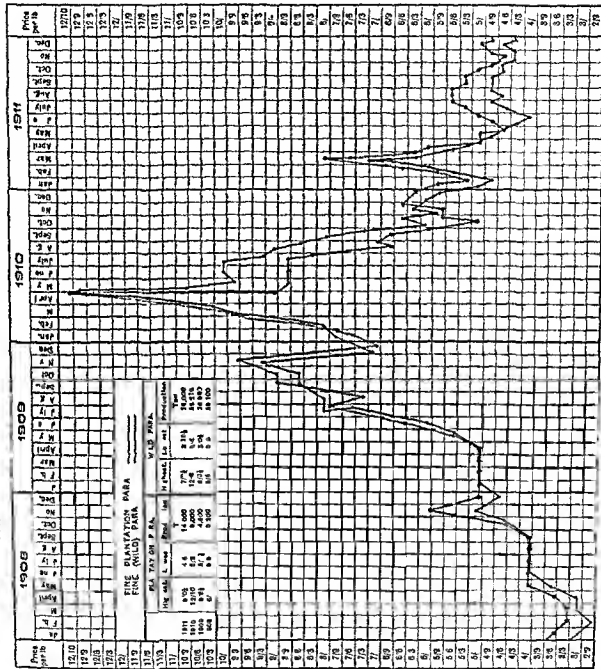
For entries in Journal of Colliery Company see page 1346.

The cash paid to the landlord would be passed through the Cash Book and debited to his account. At the end of each year the amount charged to Royalties Account would be transferred to the Revenue Account. It is to be particularly noted that the amount standing to the debit of Minimum Rent Recoverable Account will be treated as an asset when the final accounts are drawn up, i.e., £365 will be shown under that heading in the balance sheet at the end of the first year, and £565 in the balance sheet at the end of the second year. When, after several periods of shortworkings, there occurs one during which the royalties on minerals raised exceed the minimum rent, but are not sufficiently large to allow the total debit on Minimum Rent Recoverable Account to be deducted, there will be credited to the last-mentioned account such a sum only as will bring the amount due to the landlord down to the figure of minimum rent.

ROYALTY.—There are three senses in which this word is used. It denotes—

(1) A payment made in the nature of rent by the workers of mines to the owners of the soil, and varies with the amount of the minerals raised and the prices obtained for the same. It is generally something in addition to dead rent (*qv*).

(2) A payment made by a licensee to a patentee for the privilege of working the patent. This payment also generally depends upon the amount of the receipts obtained by the licensee.



ENTRIES IN JOURNAL OF COLLIERY COMPANY

			Dr	Gr.
End of 1st year	Royalties Account	Dr	£35 0 0	
	Minimum Rent Recoverable Account	"	365 0 0	
	To Landlord			£400 0 0
	Royalty of 1s per ton on output of 700 tons			
End of 2nd year	Royalties Account	Dr	200 0 0	
	Minimum Rent Recoverable Account	"	200 0 0	
	To Landlord			400 0 0
	Royalty of 1s per ton on output of 4,000 tons.			
End of 3rd year	Royalties Account	Dr	1,475 0 0	
	To Minimum Rent Recoverable Account.	"		565 0 0
	To Landlord			910 0 0
	Royalty of 1s per ton on output of 29,500 tons			
			£2,275 0 0	£2,275 0 0

(3) A payment made by a publisher to an author for the privilege of publishing and selling his books or other works

RUB.—(See FOREIGN WEIGHTS AND MEASURES—EGYPT)

RUBBER.—(See CAOUTCHOUC)

RUBY.—One of the most precious gems. It is a red, transparent variety of corundum (*qv*), and is harder than every other mineral, except the diamond. Large, flawless rubies are so rare, that specimens weighing more than a carat are more valuable than diamonds of the same weight. The best rubies come from Burmah. They have the bright red hue known as "pigeon-blood" colour. Other specimens of darker colour are found in Ceylon, Siam, and China. Rubies have been produced artificially, but the artificial stones, though of some use to watchmakers, are of very little value as gems, owing to their smallness and lack of brilliance. Some large stones are produced by "reconstructing" small ones. This is accomplished by means of fusion, but the reconstructed stones are never flawless, and do not fetch high prices.

RUE.—An evergreen herb of the genus *Ruta*, indigenous to South Europe. Its leaves have a strong smell and a bitter taste. The volatile oil obtained from them was formerly used in medicine in the manufacture of an infantile remedy known as syrup of rue.

RUGS.—Coarse woollen fabrics of various sorts, of which some are used as floor coverings, while others are of great service as travelling wraps, coverlets, &c. In addition to supplying the home demand, Great Britain exports vast quantities annually.

RULE ABSOLUTE.—Whenever an application is made to a court of law *ex parte* (*qv*) and a rule *nisi* (*qv*) is granted, the case afterwards comes on for due notice for argument, and if the applicant makes out his case, the rule *nisi* is made absolute, i.e. the provision or order first obtained is made permanent.

RULE NISI.—In many cases it is necessary to apply to a court of law, generally a Divisional Court of the High Court of Justice, to grant an order that a certain person, or a body of persons, do or may do, shall do or cause why a certain order should not be made against him or them.

The application to the Court is first of all made *ex parte* (*qv*), and if sufficient cause is shown a rule, or order, is granted, which is called a rule *nisi* because of the first word in the old forms when the Latin language was used—the word "*nisi*," meaning "unless"—the significance of the whole procedure being that the order asked for will ultimately be made effective "unless" good cause is shown to the contrary. When the case is eventually heard the rule is either discharged or made absolute. The principal cases in which rules are applied for are those which refer to mandamus (*qv*), prohibition (*qv*), etc.

RULES OF COURT.—The administration of justice would be impossible, however efficient was the standard of law set up, unless a definite procedure was also adopted to which all litigants must conform. Consequently there have been established for the High Court (*qv*) what are known as Rules of Court, and these are settled under the authority of the Judicature Acts by a special Rule Committee, a body consisting of the Lord Chancellor, the Lord Chief Justice, the Master of the Rolls, the President of the Probate, Divorce, and Admiralty Division, four *nisi prius* judges, the President of the Incorporated Law Society, one practising barrister, and one other person nominated by the Lord Chancellor. The rules are subject to revision and are altered to meet the various changing circumstances which naturally arise in connection with the administration of the law. Special rules of procedure are also in use for Scotland. The county courts likewise are under a similar kind of ordinance as to the administration of their jurisdiction. These county court rules are framed by five county court judges who are specially selected for the work, and are afterwards approved by the Rule Committee of the High Court and the Lord Chancellor.

RULES OF STOCK EXCHANGE.—(See STOCK EXCHANGE RULES.)

RULINGS.—The chairman at company meetings, although entrusted with very great powers, cannot exercise these powers in an arbitrary manner, nor in contravention of the regulations, statutory and otherwise (including those contained in the company's articles of association), which govern such meetings. His rulings must never express a merely tentative or still-indebate discussion, but should

Board to create a district for public health purposes, and to increase or diminish the number of members of the local board. The persons appointed on the local board of health were much the same as those now elected on the rural district council. The legislative machinery has changed, but Acts of Parliament have not yet changed the fundamentals of human nature.

The Twofold Duty of the Councillor. In 1894 an Act was passed to make further provision for local government in England and Wales. This Act put into the hands of the electorate the management of every parish, and every rural and urban district in England and Wales. It requires that a guardian of the poor shall be a parochial elector residing within the union, and that women, married or single, may be guardians. The guardian must be elected by the parochial electors of his parish. For every rural sanitary district there shall be a rural district council, whose district shall be called a rural district. The chairman of a rural district council becomes a justice of the peace during the year in which he serves the office. The councillors for the rural district must be elected by the same parishes as elect the guardians, and the number of councillors for each parish must be the same as the number of guardians. The district councillors of any parish in a rural district shall represent the parish on the board of guardians. Consequently, when a rural district councillor is elected to his office, he serves in two capacities: One day he attends a meeting of the rural district council to settle the ordinary affairs of his district, another day he attends as a guardian of the poor at the offices of the union.

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Duties of the Council. The following powers were transferred to the rural district councils at their creation: All the powers, duties, and liabilities of the old rural sanitary authority, and of the old highway authority or highway board. The powers of the rural district councils as to highways are: To survey the highways within their district, to make new roads, to construct or adopt public bridges, to undertake the repair and maintenance of county roads and county bridges on behalf of the county councils. Where a road is liable to be repaired by a private person who fails to do his duty, the rural district council will do the work and recover the cost from the owner. The powers, duties, and liabilities of urban sanitary authorities are entrusted to rural district councils; those powers are: The regulation of bakeries, dairies, confectionaries, dwellings for the poor, baths and wash-houses, river conservancy, sewers and drains, public conveniences, scavenging and cleaning of streets, the making of by-laws, the abatement of public nuisances, the provision of water supply, inspection

by means of medical and other officers, the regulation of offensive trades, the provision of hospitals for infectious disease, the execution of the orders of the Local Government Board in the case of epidemics, the regulation of streets and buildings by means of by-laws, regulations as to lighting, public pleasure grounds, markets, and slaughter-houses, the appointment of executive officers; the fixing of the rural district rate and the power of borrowing for district purposes, the preparation of accounts to be audited by a Government auditor—these duties and many others must be undertaken by the rural district council.

Other duties are the protection of rights of way, rights of common and roadside wastes, for which purpose legal action may be taken if necessary. Certain powers of granting licences, which used to be in the county justices, are transferred to rural district councils, e.g., the licensing of gangmasters, grant of pawnbrokers' certificates, licences of dealers in game, passage brokers, emigrant runners, abolition of fairs or alteration of the days thereof, execution of the Petroleum Acts, and infant life protection. (See LOCAL GOVERNMENT, TOWN COUNCIL, URBAN DISTRICT COUNCIL.)

RUSHES.—Various species of *Juncus*, with round stems, used for making chair bottoms, baskets, and inferior hats for exportation to China. Candle wicks are also made from the pith of certain rushes. Though this genus of plants abounds in Great Britain, there are large importations from Holland and other European countries, as the home supply is not sufficient to meet the demand.

RUSSIA.—Position, Area, and Population. The Russian Empire, the second greatest in the world as regards area, stretches from the Baltic Sea to the Pacific Ocean, and from 35° north latitude to the Arctic Ocean. It occupies the eastern part of Europe, and the northern and central regions of Asia. Its area is approximately 8,400,000 square miles, and its population about 160,000,000; thus the country is about seventy times the size of the British Isles, but has a population only three and a half times as great.

EUROPEAN RUSSIA AND CAUCASIA.—Position, Area, and Population. European Russia has the Arctic Ocean on the north, Sweden, the Baltic Sea, the German Empire, Hungary, and Roumania on the west, the Black Sea and the Caucasus Mountains on the south, and on the east the Caspian Sea, the Ural Mountains, and the Ural River form a great part of the boundary (the mining districts to the east of the Urals are included in European Russia). Russia in Europe (including Cis-Caucasia) has an area of about 2,000,000 square miles, and a population of about 132,000,000. It thus occupies more than half of Europe, but its density of population is only about sixty-six to the square mile. **Caucasia (Trans- and Cis-Caucasia)** has an area of 180,000 square miles and a population of 11,000,000.

Coast Line. The coast line consists mainly of the shores of five inland seas: The White Sea, the Black Sea, the Sea of Azov, the Caspian Sea, and the Baltic Sea. In comparison with its vast area, the coast line is extremely short, and another great disadvantage to the country is the lack of harbours ice-free all the year round. Most of the harbours are blocked by ice in winter, even those of Libau and Odessa are closed in the middle of severe winters—hence the efforts made by Russia to extend her territory westward into the Balkan countries.

and so to secure an ice-free port on the Mediterranean.

Little European Russia is in the main a vast undulating plain stretching 1,700 miles from north to south and 900 miles from east to west and never rising above 1,700 ft in height. From the low Valai Hills (1,100 ft.) between St. Petersburg and Moscow radiate low heights which separate river basins. In the east the Urals rise to heights of 3,000 ft. and in the Crimea are the Yaila Hills. The Caucasus in the south-east consists of rugged parallel ranges, well wooded in the valleys and on the southern slopes and with glaciers on their crests. Many summits rise to heights of 17,000 ft. and Elbrus attains a height of 18,470 ft. There are few passes over the mountains of the Caucasus and all are difficult. Russia is well provided with rivers but the continental nature of the climate affects the depth of the water and the long and severe winters render them practically useless for many weeks. The Valdai Hills form the main water-parting. Four drainage systems may be distinguished: (1) To the Baltic Sea flow the Neva, Western Dvina, Niemén and Vistula. (2) To the Black Sea flow the Dniester, Bug, Dnieper (1,200 miles) and Don. (3) To the Caspian Sea flow the Volga (2,300 miles) and Ural (1,100 miles—mainly Asiatic). (4) To the Arctic Ocean flow the Petchora, Northern Dvina and Onega. Finland in the north is studded with lakes of various sizes occupying glacier-formed rock basins. Lake Saima is a triple lake and one of the largest in Europe. Lakes Onega and Ladoga lie between the Gulf of Finland and the White Sea, and fill part of the depression extending between these gulfs. The Caspian Sea, the largest salt water lake in the world, it was formerly of much greater extent. Its retreating waters have left a desolate plain which is below sea level and is dotted with shallow lakes. Much of the marsh land of European Russia could be gained for useful tillage by draining. The Pripet or Rokitno swamp is now being artificially drained.

Climate, Soils and Natural Regions. The climate has a vast range from that of the Arctic in the north to that of the Mediterranean in the south. The annual isothermal lines run as a rule from the north-west to the south-east, so that St. Petersburg on the west, Moscow in the centre and Samara and Orenburg in the east all have the same annual mean temperature of 4 C (39.2 F). Eastwards the average annual temperature declines rapidly and this is caused by the severity of the Russian winter which becomes more marked as one proceeds to the east. Speaking generally the climate with the exception of that of the Province of Archangel, the Crimea and Northern Caucasus is one of great extremes of heat in summer and cold in winter. Moving from west to east the winters become rapidly colder and the summers moderately warmer while proceeding from south to north the summers become rapidly cooler and the winters only moderately colder. The Russian winter surpasses that of the spring wheat region in the United States in duration and hence there is a long period of suspended agricultural labour and enforced idleness for the large peasant population and crops of quick-ripening properties are a necessity. Only in the south-eastern and south-eastern regions of Russia does the number of days with a temperature below the freezing point fall below 100. In North-East Russia the rain and snowfall combined are about

20 in. in Central Russia they increase to above 20 in. in the vast Russian steppes they sink well under 20 in. while the Caspian Depression is the driest and hottest region in Europe. Like every mountainous country, Central Asia has a great variety of climates. Northern Caucasus has a mild climate the temperature never falling below freezing point in a great many places. Trans-Caucasia (Asia) has the climate of southern Italy, while eastern Trans-Caucasia suffers much from lack of moisture and irrigation is an absolute necessity. The sheltered valleys of the Crimea opening to the south enjoy a Mediterranean climate. The summer heat is a factor of prime importance to Russian agriculture.

European Russia may be divided by a line drawn from Bessarabia to Ufa into two distinct soil regions: (1) The south-eastern or chernozom (black soil) region, and (2) the north-western or non-chernozom region. The former is by far the more fertile of the two.

There is no one predominating type of soil in the non-black region; clay loams and rocky soils are all found there. The black soil is however a very uniform and definite structure and is estimated to cover 280,000,000 acres. The high proportion of organic matter (humus) in the chernozom soils gives them their dark colour; they vary in depth from a few inches to 3 or 4 ft. and their moisture-holding capacity is indispensable in this region of low rainfall. It is on this black soil that the largest part of the crops of European Russia is raised.

European Russia divides into eight natural regions—

1 *The Desert Region or Arctic Tundra* of the north lies north of the 65th parallel of latitude and produces lichens, mosses and stunted bushes. Low berry-bearing bushes grow in sheltered situations and in the brief summer a brilliant Alpine flora is found.

2 *The Coniferous Forest Region* lies to the south of the Tundra and stretches from the Onega River to the Urals. Climatic factors limit the growth of all but hardy trees.

3 *The Deciduous Forest Region* (trees whose leaves fall off in autumn and a rest period ensues through the winter) lies to the south of the Coniferous.

4 *The Steppe Region* of the south-east is mainly a pastoral region. The arid parts are inhabited by nomad Tartars.

5 *The Wheat-growing, Black Earth Region* of the Russian Steppes lies to the west of the pastoral grassy steppes and stretches from the Danube to beyond the Volga.

6 *The Mediterranean Region* of warm summers and comparatively mild wet winters includes the Crimea, the shores of the Black Sea and parts of Caucasus.

7 *Semi-arid Caucasus* with its irrigated sections and

8 *The Caspian Depression* with its scrub vegetation and vast reed swamps.

Production and Industries. Agriculture. Russia is essentially an agricultural country, but farming is in a backward state owing to the communal system of land holding, the antiquated methods employed, the poverty and ignorance of the peasants and the unenlightened form of government. Changes must take place in the system of landownership and in education if the country is to make much economic progress. Seventy-five per

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and so to secure an ice-free port on the Mediterranean.

Build. European Russia is in the main a vast undulating plain stretching 1 700 miles from north to south and 900 miles from east to west and never rising above 1 200 ft. in height. From the low Valdai Hills (1 100 ft.) between St. Petersburg and Moscow radiate low heights which separate river basins. In the east the Urals rise to heights of 3 000 ft. and in the Crimea are the Tauric Hills. The Caucasus in the south-east consist of rugged parallel ranges well wooded in the valleys and on the southern slopes and with glaciers on their crests. Many summits rise to heights of 17 000 ft. and Elburz attains a height of 18 470 ft. There are few passes over the mountains of the Caucasus and all are difficult. Russia is well provided with rivers but the continental nature of the climate affects the depth of the water and the long and severe winters render them practically useless for many weeks. The Valdai Hills form the main water parting. Four drainage systems may be distinguished: (1) To the Baltic Sea flow the Neva, Western Dvina, Niemen and Vistula; (2) to the Black Sea flow the Dniester, Bug, Dnieper (1 200 miles) and Don; (3) to the Caspian Sea flow the Volga (1 300 miles) and Ural (1 100 miles—mainly a salt lake); and (4) to the Arctic Ocean flow the Petchora, Northern Dvina and Onega. Finland in the north is studded with lakes of various sizes occupying glacier formed rock basins. Lake Saima is a triple lake and one of the largest in Europe. Lakes Onega and Ladoga lie between the Gulf of Finland and the White Sea and fill part of the depression extending between these inlets. The Caspian Sea is the largest salt water lake in the world. It was formerly of much greater extent. Its retreating waters have left a desolate plain which is below sea level and dotted with shallow salt lakes. Much of the marsh land of European Russia could be gained for useful tillage by draining. The Pripyet or Rokitno swamp is now being artificially drained.

Climate, Soils, and Natural Regions. The climate has a vast range from that of the Arctic in the north to that of the Mediterranean in the south. The annual isothermal lines run as a rule from the north-west to the south-east so that St. Petersburg on the west, Moscow in the centre and Samara and Orenburg in the east all have the same annual mean temperature of 4° C. (39° F.). Eastwards the average annual temperature declines rapidly and this is caused by the severity of the Russian winter which becomes more marked as one proceeds to the east. Speaking generally the climate with the exception of that of the Province of Archangel the Crimea and Northern Caucasus is one of great extremes of heat in summer and cold in winter. Moving from west to east the winters become rapidly colder and the summers moderately warmer. A rule proceeding from south to north the summers become rapidly cooler and the winters only moderately colder. The Russian winter surpasses that of the spring wheat region in the United States in duration and hence there is a long period of suspended agricultural labour and enforced idleness for the large peasant population and crops of quick-maturing properties are a necessity. Only in the most southern and south-eastern regions of Russia does the number of days with a temperature below the freezing point fall below 100. In North-East Russia the rain and snowfall combined are about

20 in in Central Russia they increase to above 20 in in the vast Russian steppes but sink well under 20 in while the Caspian Depression is the driest and hottest region in Europe. Like every mountainous country Caucasus has a great variety of climates. Northern Caucasus has a mild climate the temperature never falling below freezing point in a great many places. Trans-Caucasia (Asia) has the climate of southern Italy while eastern Trans-Caucasia suffers much from lack of moisture and irrigation is an absolute necessity. The sheltered valleys of the Crimea opening to the south enjoy a Mediterranean climate. The summer heat is a factor of prime importance to Russian agriculture.

European Russia may be divided by a line drawn from Bessarabia to Ufa into two distinct soil regions: (1) The south-eastern or chernozem (black soil) region and (2) the north-western or non-chernozem region. The former is by far the more fertile of the two.

There is no one predominating type of soil in the non-black region. Clay loams, sands and rocky soils are all found there. The black soil is however a very uniform and definite structure and is estimated to cover 760 000 000 acres. The high proportion of organic matter (humus) in the chernozem soils gives them their dark colour. They vary in depth from a few inches to 3 or 4 ft. and their moisture-holding capacity is indispensable in this region of low rainfall. It is on this black soil that the largest part of the crops of European Russia is raised.

European Russia divides into eight natural regions—

1 *The Desert Region or Arctic Tundra* of the north lies north of the 65th parallel of latitude and produces lichens, mosses and stunted bushes. Low berry-bearing bushes grow in sheltered situations and in the brief summer a brilliant Alpine flora is found.

2 *The Coniferous Forest Region* lies to the south of the Tundra and stretches from the Onega River to the Urals. Climatic factors limit the growth of all but hardy trees.

3 *The Deciduous (trees whose leaves fall off in autumn) Forest Region* lies to the south of the Coniferous.

4 *The Steppe Region* of the south-east is mainly a pastoral region. The arid parts are inhabited by nomad Tartars.

5 *The Wheat-growing Black Earth Region* of the Russian Steppes lies to the west of the pastoral grassy steppes and stretches from the Danube to beyond the Volga.

6 *The Mediterranean Region* of warm summers and comparatively mild wet winters includes the Crimea, the shores of the Black Sea and parts of Caucasus.

7 *Semi-arid Caucasus* with its ungated sections and

8 *The Caspian Depression* with its scrub vegetation and vast reed swamps.

Production and Industries. Agriculture. Russia is essentially an agricultural country but farming is in a backward state owing to the communal system of land holding, the antiquated methods employed, the poverty and ignorance of the peasants and the unenlightened form of government. Changes must take place in the system of landownership and in education if the country is to make much economic progress. Seventy-five per-

Board to create a district for public health purposes, and to increase or diminish the number of members of the local board. The persons appointed on the local board of health were much the same as those now elected on the rural district council. The legislative machinery has changed, but Acts of Parliament have not yet changed the fundamentals of human nature.

The Twofold Duty of the Councillor. In 1894 an Act was passed to make further provision for local government in England and Wales. This Act put into the hands of the electorate the management of every parish, and every rural and urban district in England and Wales. It requires that a guardian of the poor shall be a parochial elector residing within the union, and that women, married or single, may be guardians. The guardian must be elected by the parochial electors of his parish. For every rural sanitary district there shall be a rural district council, whose district shall be called a rural district. The chairman of a rural district council becomes a justice of the peace during the year in which he serves the office. The councillors for the rural district must be elected by the same parishes as elect the guardians, and the number of councillors for each parish must be the same as the number of guardians. The district councillors of any parish in a rural district shall represent the parish on the board of guardians. Consequently, when a rural district councillor is elected to his office, he serves in two capacities. One day he attends a meeting of the rural district council to settle the ordinary affairs of his district, another day he attends as a guardian of the poor at the offices of the union.

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RUSSIA IN EUROPE

0 100 200 300
MILES
0 100 200
KILOMETERS

Scale of miles
Scale of kilometers



cent of the population are engaged in agriculture, though a great many members of the agricultural class have other subsidiary occupations. Poland has a better system of agriculture than the rest of Russia. Cultivation is carried on from the Black Sea to beyond 60° north latitude, in the more northerly tracts, crops are grown in the forest clearings. Barley and oats appear in the southern part of Archangel and Vologda, and winter rye is also produced in the same regions. Wheat, mainly spring wheat, extends in a belt north of the pastoral steppes of the Black Sea to the Danube, and is second only to rye, the main food product of the peasants as a crop. Climatic and soil conditions are excellent for the growth of high grade wheats, but the yield is a low one. Maize is grown in the south, where the temperatures are sufficiently high in summer for it to mature. Barley has a wide range, being found in the north, centre, and south. Flax flourishes both in the north and the south. Hemp is grown in the forest clearings of the west, while rye is grown in almost all districts but the salt steppes. Sugar-beet is raised in large quantities in the Dnieper and Dniester Valleys, and tobacco is also produced in the same regions. Potatoes are largely grown in the north-west, especially in the districts bordering on Germany. The vine and other Mediterranean fruits and products are produced in the regions possessing the Mediterranean climate. It is important to note that Russia has occupied in certain years the first place in the world's supply of wheat, and as regards flax, hemp, rye, and barley, it now occupies the highest position.

The Pastoral Industry. Fertilisation is becoming a necessity in many parts of Russia, even on the "black lands," and hence special significance attaches to horse and cattle raising in Russia, as these animals, besides being important as a source of power, also produce large quantities of cheap fertilisers. Millions of sheep are reared on the steppes, and cattle, goats, and horses are also fed in large numbers. Cattle are important all over the country, and will become more so when the peasants emerge from their poverty and possess a fair plot of land of their own. On the poorer steppe lands and the tundras the pastoral inhabitants are nomadic. Pigs roam in the oak and beech forests of the deciduous forest region. The reindeer is kept in the tundras. Fur-bearing animals are hunted in the forest regions of the north, and provide an important export. Camels are reared in the south-eastern steppes. Dairying and poultry-keeping are becoming of importance in the Baltic Provinces and Finland.

The Fishing Industry. The river-fisheries and those of the Caspian Sea are very productive. The sturgeon is the chief fish caught, and caviare, or the roe of the sturgeon, is prepared as a condiment and largely exported. Seal fishing is carried on in the Arctic Ocean and the Caspian Sea.

Forestry. Forests occupy two-fifths of the whole country, and the timber industry is of prime importance. The pine, spruce, and larch are obtained from the coniferous forests, and oak, ash, beech, and lime from the deciduous forests. Much timber is exported from St Petersburg, Riga, Cronstadt, Archangel, and Onega.

The Mining Industry. The mineral wealth of Russia is enormous, and recent years have seen great activities in the mining industry. Much foreign capital and highly skilled labour are employed. Coal is found in four regions. (1) In

the Ural Mountains, east of Perm, (2) in the south-west of Poland; (3) in the region south and south-west of Moscow, chiefly the Oka Valley, with Tula as centre; and (4) in the Donetz Valley, the largest coalfield of all. Iron exists in the Urals, and the proximity of coal gives the manufacturing industry an advantage. It is also mined and manufactured on all the coalfields, and the Donetz area is showing great development. Gold, platinum, and copper are mined in the neighbourhood of Ekaterinburg, and limestone and precious stones are other Ural minerals. Salt is obtained in the Caspian Depression, in the Crimea chiefly from brine lakes, and in the centre and north from rock-salt. Mercury is found in the Government of Veronezh, and marble in Finland and the Crimea. Petroleum, obtained from the northern and southern slopes of the Caucasus, especially in the neighbourhood of Baku, and in the basin of the Kuban River, is exported from Batum, on the Black Sea, in specially built tank steamers, the oil being conveyed from Baku to Batum by a pipe over 500 miles long. Russia ranks second in the world's production of petroleum. Strong protective measures have stimulated the mining, manufacturing, and shipping industries of the country.

The Manufacturing Industries. Though Russia will have to rely on extractive industries for some years to come, yet its manufacturing industries have grown rapidly during the last twenty-five years, and have engaged the serious attention of the civilised world. Enormous quantities of capital have been attracted to Russia from France, the United Kingdom, Belgium, Germany, and the United States. In Southern Russia the iron and steel industry is rapidly developing. Mariupol, Yuzovka, Krivoy Rog, and Berdiansk are important centres. The Don Valley has huge iron works at Tula, and at Briansk there is a large government ordnance factory. Iron goods are also manufactured on the Poland coalfield. In the textile industries hand labour is being largely displaced by factory labour. Cotton wool, and hemp, are the chief textiles, and Lodz and Warsaw in Poland are the chief centres. Some of the Finnish towns have textile manufactures, water-power being utilised in their factories, and also in those of Narva, in the St. Petersburg region. In the beet-growing districts, especially around Kiev, the sugar industry employs many people. Tobacco is prepared at Samara, Saratov, and Kislunov. Leather is manufactured at Kharkov, Moscow, Tula, and St Petersburg. St Petersburg, Moscow, and Warsaw have varied manufactures. Brewing and distilling are important throughout the country, and employ the greatest amount of labour. Domestic manufactures are as yet more important than the factory manufactures, but if considerations are given to recent history, the awakening of the people, and the vast resources of the country, it is not unwise to predict that Russia will become an important manufacturing country under the factory system.

The Waterways. Russia is well provided with lakes and navigable rivers, the total length of inland waterways being about 52 000 miles. Serious drawbacks to navigation result from the rivers being frozen for at least two months in the year, and from the shallows and rapids on some of the rivers. Nevertheless, water transport is considerable in Russia. Canal construction has been easy, and important canals now establish water communication between

RUSSIA

II EUROPE

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Archangel, Russia's oldest seaport, stands on the White Sea at the mouth of the Northern Dvina. It exports the products of the forests, and the furs of the forests and tundras, as well as Siberian produce brought by the new line to Kotlas, and then up the Northern Dvina. Its port is only open for a few weeks in summer.

Helsingfors and **Abo** are the two chief ports of Finland. **Hangö**, on the Gulf of Finland, is increasing its exports of dairy produce, especially butter, and **Björneborg** and **Vasa** are small ports.

Reval, **Libau** (port seldom closed by ice), **Pernau**, and **Windau** are all on the Baltic, and export Baltic produce, especially **Libau**. **Batum**, the Caucasian Black Sea port, is noted for its exports of petroleum.

Nicolaief on the Bug and **Kherson** on the Dnieper are increasing their exports of steppe products, especially wheat. **Akerman**, **Kerch**, and **Feodosia** are minor Black Sea ports; and **Sebastopol**, in the Crimea, is a naval port.

The chief ports on the Sea of Azov are **Taganrog**, **Mariupol** (port of the Donetz coalfield), **Azof**, **Rostof**, and **Berdiansk**.

Kherson and **Rostof** have manufactures of soap, tallow, and macaroni.

Astrakhan, the chief Caspian seaport, is situated on the delta of the Volga. It is an important trade centre for wool, silk, and other Eastern produce. Its sturgeon fisheries are important, and it manufactures caviare, isinglass, silk, cotton, and leather goods. It is connected by river and canal with the Baltic. **Astrakhan** fur is made from the wool of the **Bokharan** sheep.

Baku, on the Caspian, is the centre of the petroleum district of Caucasia, and competes well with **Tiflis** in population and trade.

Novorossisk, on the Black Sea, is a rising grain port of Caucasia.

Poti is another petroleum port of the Black Sea.

Inland Centres. **Moscow** (1,250,000) lies in the heart of the country, at the head of the navigation of the Moskva. It is the physical, political, commercial, ecclesiastical, and railway centre of European Russia. Its numerous industries include textiles (cotton being obtained from the Russian Provinces of Central Asia, as well as from America), hardware and machinery, paper, and leather. As a distributing centre it is of great importance. It was the old capital of Russia, and was burned by its inhabitants, in 1812, on the approach of the French army.

Warsaw (800,000), the chief town of Poland, stands on the Vistula. It is a route, railway, and manufacturing centre. The moist climate and the energy and skill of the Poles are important factors in the increasing textile and iron manufactures of Warsaw.

Lodz (400,000), in Poland, is a very important textile centre. Its population has grown remarkably during the last fifty years.

Kiev (320,000), on the Dnieper, commands the routes between north and south, west of the Central Russian Heights. It is the ecclesiastical capital of Russia, and has large sugar and leather manufactures.

Kharkov (180,000) is the chief manufacturing centre in the Donetz basin, and has important wool and horse furs. The chief fair centres are **Nizhni Novgorod**, **Kharkov**, **Poltava**, **Irbis**, and **Kiev**.

Nizhni Novgorod stands near the junction of the Oka with the Volga, and is the greatest fair centre

Samara, at the end of the Volga loop, is an important railway junction and river port.

Tula and **Orel** are manufacturing centres in Central Russia. **Tula** is the "Birmingham" of Russia.

Kazan is an important trading centre on the Volga. It manufactures leather and soap.

Saratov, in the centre of the Black Earth Region, is an important Volga trading centre, and manufactures tobacco.

Orenburg, on the Ural River, is a route and railway centre.

Perm and **Ufa** are route centres of the Ural mining region.

Tiflis, the chief town of Caucasia, is on the Kur. Its manufactures include silks, shawls, and carpets. It is an important trade centre between Asia Minor, Persia, and Europe.

Vladikavkaz, on the Terek, is a trade and military centre. It is connected with **Tiflis** by a road through the **Daniel Gorge**, and also by a railway, which makes a wide detour.

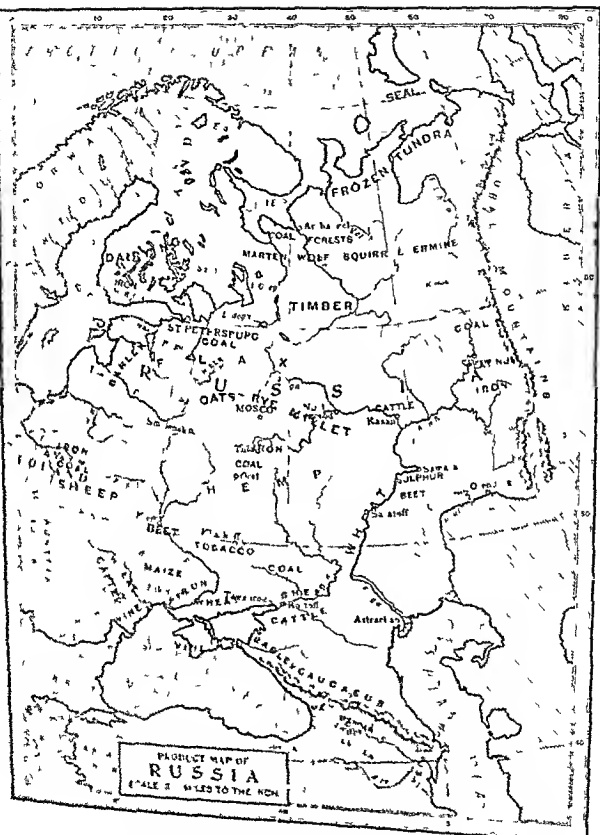
Erivan, in the south of Caucasia, is a route centre, and collecting place for cotton.

Kars and **Alexandropol** are fortress towns.

RUSSIA IN ASIA (ASIATIC RUSSIA)—Position, Area, and Population. Asiatic Russia includes Siberia, Trans-Caucasia (Cis-Caucasia is included in European Russia), the Steppes, and the Central Asian Provinces. It stretches from the Caspian Sea to Behring Strait and the Sea of Okhotsk, and from the Arctic Ocean to the edge of the Central Plateau of Asia. Its total area is about 6,400,000 square miles, covering more than one-third of Asia, yet its population is only about 28,000,000. It compares most unfavourably with the teeming millions of the monsoon lands of Asia, but its vast resources only need development to provide the means of subsistence for a large population.

SIBERIA—Position, Area, and Population. Siberia stretches from the Urals to the Pacific Coast, and from the Arctic Ocean to Turkestan and the Chinese Empire. Its area is over 4,750,000 square miles, but its population only approaches 8,000,000. Even in the most favoured agricultural regions of Tomsk the density of population only ranges between ten and twenty to the square mile.

Coast Line. The northern Arctic coast is low, flat, and dreary. Fiords penetrate the land, and islands fringe the coast, where the Ob and Yenisei estuaries open to the Arctic. Farther east, the rivers form great deltas at their mouths. Trade is small on this coast, only a few ships reach the Yenisei during the few weeks when the Arctic ice is broken up. The so-called North-East Passage from Europe by the Arctic Ocean and Behring Strait to the Far East has only been made by one man, **Nordenskiöld**, whose name is perpetuated in the **Nordenskiöld Sea**. On the north-east the coast approaches the American coast, the shallow Behring Strait being only 38 miles across at one point. The shallows of Behring Strait pass both on the north and south into extremely deep waters; the Pacific is thus naturally separated from the Arctic Ocean by this strait. Islands fringe the irregular, steep, and rocky coast of the Pacific. No harbour on this coast is ice-free all the year round, even the fine harbour of **Vladivostok** is not completely so, hence the attempt of the Russians to make Manchuria a Russian Province and to acquire in Port Arthur an ice-free port. Their aspirations in this direction were checked by the Japanese victories of 1904-1905.



PRODUCT MAP OF
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application of the Board of Trade, and the court has power to cancel or suspend the certificate of any owner who, in the opinion of the court, has caused the loss of, or serious damage to, any ship or loss of life through his wrongful act or default.

A person must not send goods by any vessel, British or foreign, and a person not being the master or owner of the vessel must not attempt to carry in such vessel any dangerous goods without distinctly marking their nature on the outside of the package, and giving written notice of the nature of those goods, and of the name and address of the sender, or carrier, to the master of the vessel at or before the time of sending the goods to be shipped. Any person failing to comply with this regulation is liable to a penalty of £100, but if he shows that he was merely an agent in the shipment of any such goods and was not aware that the goods were of a dangerous nature, then he is liable to a penalty of £10 only. "The expression 'dangerous goods' means aquafortis, vitriol, naphtha, benzene, gunpowder, lucifer matches, nitro-glycerine, petroleum, and explosives within the meaning of the Explosives Act, 1875, and any other goods which are of a dangerous nature."

The following are included in the term "explorer" in the Act of 1875, viz —

"Gunpowder, nitro-glycerine, dynamite, gun-cotton, blasting powders, fulminate of mercury or other metals, coloured fires, and every other substance, whether solid or not to those already named, which is used with a view to produce a practical effect by explosion, or a pyrotechnic effect, and, in particular, fog-signals, fireworks, mines, rockets, percussion caps, detonators, cartridges, ammunition of all descriptions, and every article or preparation of any of the substances above mentioned."

The meaning of the term "explosive" may be extended by Order in Council to any substance which appears actually dangerous to life or property by reason of its explosive qualities, or by reason of risk of explosion in the process of its manufacture.

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under the above conditions), the master of the ship, and also the owner, if he is privy to the offence, is liable to a fine not exceeding £5 for every 150 cubic ft of space in which wood goods are carried in contravention of the provisions. (See DECK CARGO)

Where a grain cargo is laden on board any British ship, all necessary and reasonable precautions must be taken to prevent the grain cargo from shifting. If these precautions are not taken in the case of any British ship, the master of the ship and any agent of the owner responsible for the loading of the ship or the sending of her to sea are liable to a fine of £300, and the owner of the ship is also liable to the same fine, unless he shows that he took all reasonable means to enforce the observance of these provisions, and was not privy to the breach. An offence against these provisions may be prosecuted summarily, but in such case the fine must not exceed £100 (M.S.A. 1906, Sec. 10). The above provisions have been extended to any foreign ship which loads a grain cargo in the United Kingdom, so long as the ship is within a port in the United Kingdom. British ships on certain voyages with cargoes of grain must adopt the precautions against the shifting of the grain set out in Schedule 18 of the Merchant Shipping Act, 1894, and must deliver to the British authorities at the port of loading and of discharge a notice of the ship's draught and clear side, and of the kind and quality of the grain, the mode of stowage, and the precautions taken, subject to a penalty of £100 for omission of such notice, or for any false statement in it, and foreign ships arriving at a port in the United Kingdom laden with grain are subject to the same provisions and liabilities as British ships. The above-mentioned precautions are not required of ships which follow the regulations approved by the Board of Trade, or of ships constructed and loaded in accordance with any plan approved by the Board. As to deck and load

The Board of Trade may, in any case in which they think it expedient to do so, direct any person appointed by them for the purpose to record the draught of water of any sailing ship, as shown on the scale of feet on her stem and stern posts, and the extent of her clear side in feet and inches, upon her leaving any dock or port for the purpose of proceeding to sea, and the person so appointed must keep that record and forward a copy to the Board of Trade. The record or copy, if produced out of the custody of the Board of Trade, is admissible in evidence. The master of every British sailing ship must, upon her leaving any dock, wharf, pier, or harbour for the purpose of proceeding to sea, record her draught of water at the extent of her clear side in the official log book (if any), and must produce the record to any chief officer of customs, whenever required by him. The expression "clear side" means the height from the water to the upper edge of the plank of the deck from which the draught of hold is stated in the register, in case part of the measure part of the clear side is taken at the lower part of the side.

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United Kingdom provided they are within the port for some other purpose than that of embarking or landing passengers or taking in or discharging cargo or taking in bunker coal. It is also the duty of every master or owner to see that his ship is provided with lights and the means of making fog signals in conformity with the collision regulations.

For the testing of anchors and chain cables and the marking of anchors careful provision has been made and the sale of untested anchors and cables is prohibited. If the vessel is a sea-going steamship not used wholly as a tug she must also be provided with a hose capable of being connected with the engines of the ship and of being used in case of fire in any part of the ship and if a passenger vessel she must have her compasses properly adjusted from time to time.

The provisions of the Merchant Shipping Act 1894 which relate to the detention of foreign ships apply in the case of a ship which is unsafe by reason of the defective condition of her hull equipments or machinery and they apply with respect to any foreign ships being at any port in the United Kingdom whether those ships take on board any cargo at that port or not.

His Majesty may on the joint recommendation of the Admiralty and the Board of Trade by Order in Council make regulations for the prevention of collisions at sea and may thereby regulate the lights to be carried and exhibited the fog signals to be carried and used and the steering and sailing rules to be observed by ships. These collision regulations must be observed by all foreign ships within British jurisdiction and in any case tried in a British court concerning matters arising within British jurisdiction foreign ships shall so far as respects the collision regulations be treated as if they were British ships. In pursuance of these powers collision regulations were drawn up in 1890 (see COLLISION).

SAFFLOWER.—An Indian plant (of the composite order) cultivated for the sake of its flowers from which the red dye carthamine is obtained. Its importance has diminished since the introduction of the aniline colours but carthamine is still used in the preparation of toilet rouge (*qr*). Saflower is also known as bastard saffron.

SAFFRON.—The name given to the plant *Crocus sativus* and to the yellow colouring substance obtained from the dried stigmas of its flowers. It has long been cultivated in India where it is still much used. It grows extensively in Greece Italy and other Mediterranean countries. It is naturalised in Britain but there are imports from Valencia. Saffron is used for culinary purposes and as a slight stimulant in medicine.

SAGE.—The well known pot herb belonging to the genus *Salvia*. It is widely distributed in Europe and is much used as a seasoning.

SAGGING.—This word in a general sense means lowering drooping falling away and when applied in commerce it is used in connection with markets. A sagging market, then is one which is continually drooping or falling away.

SAGO.—A starchy food stuff obtained from the pith of the *Sorus Rumphii* and other East Indian palms. The pith is beaten in water to separate the starch granules from the fibre and the dried sediment is sago flour from which all other kinds of sago are prepared. An artificial and very inferior product is manufactured in France from potato starch.

SAL.—The *Shorea robusta* of Northern India and

the wood obtained from it. The timber is hard and durable and is used for railway sleepers gun carriages bridge-building etc. A resin resembling dammar (*rs*) exudes from the bark.

SAL AMMONIAC.—Chloride of ammonium usually prepared from the ammoniacal liquor of gas works by adding hydrochloric acid and subliming it in iron pots. It is met with in translucent masses or as a powder and has a sharp saline taste. Solution of sal ammoniac is much used in medicine in cases of bronchitis etc. It is also employed in soldering for cleaning metallic surfaces and in calico-printing. The chemical symbol of sal ammoniac is NH_4Cl .

SALARIES.—A periodical allowance or recompense made to a person in return for his pains and industry in the business of another. The word is derived from the Latin *salarium* meaning salt money.

In a general way a salary is most usually computed at a certain annual amount although payment may be made at frequent intervals *eg* quarterly or monthly. If the remuneration is paid at intervals of less than a month *eg* fortnightly or weekly it is generally known by the name of wages.

In cases of bankruptcy the salary of the bankrupt or a portion thereof may be attached under the direction of the court for the payment of his debts. But a sufficient margin must always be left for the maintenance of the bankrupt and his family and for maintaining the dignity of his official position if he happens to hold one.

Again as is shown in the article on **PREFERENTIAL PAYMENTS** the salary of a clerk or servant for services rendered within four months of the making of a receiving order in bankruptcy or of an order for winding up a joint stock company to the extent of a sum of £50 ranks as a preferential claim under two Acts of Parliament passed in 1888 and 1897 respectively and must be paid in the case of a winding up order before even the claims of the debenture holders of the company if there are any.

SALE OF GOODS.—The law relating to the sale of goods was codified in the Sale of Goods Act 1893 (56 and 57 Vict c 71) and is now to be gathered from the provisions of that statute as construed and applied by later decisions of the courts. Any sale whether of what comes under the technical expression goods or not is of course a contract between seller and buyer and consequently the general law of contract (*qr*) applies to a contract for the sale of goods except in so far as such application is modified or restricted by the provisions of the Act of Parliament.

The term goods includes all chattels personal other than things in action (see **CROSSES IN ACTION**) and money and in so obtained all corporeal movables except money. It includes emblements industrial growing crops and things attached to or forming part of the land which are agreed to be severed before sale or under the contract of sale.

A contract of sale of goods is a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a money consideration called the price. The contract may be absolute or conditional. Where under a contract of sale the property in the goods is at once transferred from seller to buyer the contract is called a sale but where the transfer of the property therein is to take place at a future time or subject to a condition to be fulfilled thereafter it is called an agreement to

sell. An agreement to sell becomes a sale when the time elapses or the conditions are fulfilled.

The distinction between a sale and an agreement to sell is important, in that the remedies for breach of the contract differ, and the position of the parties as to the subject-matter of the contract is also different. If there has been a sale and the buyer makes default in payment of the price, the seller can sue for the amount and take advantage of the special procedure provided for the recovery of liquidated damages (*qv*), but on breach of an agreement to sell, the remedy is an action for unliquidated damages, and the plaintiff must, generally, be in a position to prove that he has been injured by the breach. (See DAMAGES.) Again, on a sale, the goods become the property of the buyer, and he can claim delivery, and, on the other hand, if the goods perish, it is his loss. Where there is a contract for the sale of specific or identified goods, and the goods without the knowledge of the seller have perished at the time when the contract is made, the contract is void. Where there is an agreement to sell specific or identified goods, and subsequently the goods, without any fault on the part of the seller or buyer, perish before the risk passes to the buyer, the agreement is thereby avoided.

The goods which form the subject-matter of a contract of sale may be either existing goods owned or possessed by the seller, or goods to be manufactured or acquired by the seller after the making of the contract of sale, which are called "future goods." There may be a contract for the sale of goods, the acquisition of which by the seller depends upon a contingency which may or may not happen. Where by a contract of sale the seller purports to effect a present sale of future goods, the contract operates as an agreement to sell the goods.

The Price. The consideration for a contract of sale must be a money one. The price is generally fixed by the parties when making the contract, but they may leave it to be settled in some other way, *etc.*, by the valuation of a third person, or by the usual course of dealing between them. If the agreement to sell provides that the price is to be fixed by a third person, and such third person cannot or does not do so, the agreement is avoided, and if any goods have been delivered the buyer must pay a reasonable price for them. If the third person is prevented from fixing the price by the fault of the seller or buyer, the party not in fault may sue the other for damages. If the price is not fixed or is not to be determined in some agreed way, the buyer must pay a reasonable price, and what is a reasonable price is a question of fact depending on the circumstances of each particular case.

Capacity of Parties. Capacity to buy and sell is regulated by the general law concerning capacity to contract (see CONTRACT), and to transfer and acquire property, provided that where necessary a person who, by reason of mental incapacity or by a legal disability, is incapable of contracting, he must be able to do so at the time of the contract. Necessary means of such infant requirements as the time of the day to his actual term of contract. The making and delivery.

As to the requirements of a contract of sale, the ordinary form of writing, is not necessary, as in the case of a contract (*qv*), in addition in the and, Wales, or

Ireland. A contract for the sale of any goods of the value of £10 or upwards is not enforceable by action unless the buyer shall accept part of the goods so sold, and actually receive the same, or give something in earnest to bind the contract, or in part payment, or unless some note or memorandum in writing of the contract be made and signed by the party to be charged or his agent in that behalf. This requirement applies to every such contract, notwithstanding that the goods may be intended to be delivered at some future time, or may not at the time of such contract be actually made, procured, or provided, or fit or ready for delivery, or some act may be requisite for the making or completing thereof, or rendering the same fit for delivery.

It will be noticed that the validity of the contract does not depend upon compliance with one or other of these alternatives, the effect is merely to prevent any action being brought upon a non-compliant contract. In other respects the contract is perfectly good, and all the other consequences of a contract follow upon it. The application of the provisions depends upon the value of the subject-matter, and upon the price fixed. If a man contracts to sell £100 worth of goods for £5, one of the alternatives must be performed before an action can be brought. If a number of articles, each below the value of £10, are sold in one transaction, there must be some document in writing, *etc.*, if the total amount of the bill is £10 or over, but on a sale by auction the sale of each lot is deemed to be a separate transaction. (See AUCTIONS.)

Acceptance. As regards the various alternative methods of complying with the statute that which provides for acceptance sometimes gives rise to difficulties. The buyer must accept part of the goods and actually receive the same. The word "accept," as here used, has a special meaning, for there is a sufficient acceptance when the buyer does any act in relation to the goods which recognises a pre-existing contract of sale, whether there be no acceptance in performance of the contract or not. So if, when he receives goods, the buyer examines them to see if they are equal to sample, that is a sufficient acceptance, because it is an act which recognises that there had been a contract of sale, even although the buyer goes on to say "the goods are not according to sample, and I won't take them." But if, on goods being delivered to a man, he opens the parcel to see what it contains, and then declares that he never ordered the goods and will not have them, that is not an acceptance. An endeavour on the part of the buyer to reject the goods is a sufficient acceptance. This was decided in the case of *Taylor & Green Eastern Fish & Ice Company, 1901, 1 K B 771*, where the goods were sold verbally. The buyer tried to reject the goods but failed to do so, and subsequently became bankrupt. It was held that the attempt to reject was an act recognising a pre-existing contract, and amounted to acceptance, and that the buyer passed to the trustee in bankruptcy. The price and delivery upon which acceptance is based need not necessarily be physical, a constructive receipt will do. In *Nicholls & Phipps v. 103 L.T. 800*, the plaintiff had agreed to buy a rick of hay from the defendant, and sent his man to tie and load the hay, and the defendant was then to cart to the plaintiff's place. Before any man were sent, the defendant was graphed: "Don't send more. Am unable to

followed this by a letter saying that he had sold the rick elsewhere. It was held that the telegram and letter constituted evidence of a constructive delivery and receipt of the hay and that the plaintiff could maintain an action for damages for breach of contract.

Part Payment. In order to constitute earnest or part payment there must be an actual transfer of a chattel or money either as security or as part of the price. For instance if the seller pays something on account or deposits some article with the seller to be returned when payment is made the statute will be satisfied but it is not enough to agree that the seller shall retain on a count of the price a sum of money he already owes to the buyer (*Norton v. Davison* [1899] 1 Q.B. 403).

The form of the note or memorandum in writing is fully considered under the heading of **STATUTE OF FRAUDS**. It does not require any stamp unless made by deed in which case a 10s. stamp must be impressed.

As to the duty of a purchaser to protect his own interests see **CAVEAT EMPTOR CONTRACT** and as to special or implied stipulations on a sale of goods see **IMPLIED WARRANTIES WARRANTIES AND CONDITIONS**.

Unless a different intention appears from the terms of the contract stipulations as to time of payment are not deemed to be of the essence of a contract of sale. Whether any other stipulation as to time is of the essence of the contract or not depends on the terms of the contract. In a contract of sale month means *prima facie* calendar month.

Transfer of Property in Goods. As indicated above it is frequently of great importance to ascertain the exact moment when the property in goods sold or agreed to be sold passes to the buyer since from that moment they are at his risk. Before property can pass the goods must be ascertained or identified and when this is done the time of transfer depends upon the intention of the parties as gathered from the terms of the contract their conduct and the circumstances of the case. Unless a different intention appears the following are rules for ascertaining the intention on this point—

1 Where there is an unconditional contract for the sale of specific goods in a deliverable state that is in such a state that the buyer would under the contract be bound to take delivery of them the property in the goods passes to the buyer when the contract is made and it is immaterial whether the time of payment or the time of delivery or both be postponed.

2 Where there is a contract for the sale of specific goods and the seller is bound to do something to the goods for the purpose of putting them into a deliverable state the property does not pass until such thing be done and the buyer has notice thereof.

3 Where there is a contract for the sale of specific goods in a deliverable state but the seller is bound to weigh measure test or do some other act or thing with reference to the goods for the purpose of ascertaining the price the property does not pass until such act or thing be done and the buyer has notice thereof.

4 When goods are delivered to the buyer on approval or on sale or return or other similar terms the property therein passes to the buyer—

(a) When he signifies his approval or acceptance to the seller or does any other act adopting the transaction.

Pledging the goods is such an act (*Kirkham v. Attenborough* [1897] 1 Q.B. 201) but only when not overruled by the intention of the parties as expressed in the contract (see *Weiner v. Gill* [1906] 2 K.B. 574 *Percy Edwards Ltd v. Vaughan* [1910] 26 T.L.R. 545).

(b) If he does not signify his approval or acceptance to the seller but retains the goods without giving notice of rejection then if a time has been fixed for the return of the goods on the expiration of such time or if no time has been fixed on the expiration of a reasonable time. What is a reasonable time is a question of fact.

In *Marsh v. Hu Hes Hallett* (1900) 16 T.L.R. 376 the defendant agreed to take a horse on approval for a week and if he approved him to buy. The horse was not returned till some time after the week and it was held that the plaintiff was entitled to sue for the price.

5 Where there is a contract for the sale of unascertained or future goods by description and goods of that description and in a deliverable state are unconditionally appropriated to the contract either by the seller with the assent of the buyer or by the buyer with the assent of the seller the property in the goods thereupon passes to the buyer. Such assent may be express or implied and may be given either before or after the appropriation is made.

6 Where in pursuance of the contract the seller delivers the goods to the buyer or to a carrier or other bailee or custodian (whether named by the buyer or not) for the purpose of transmission to the buyer and does not reserve the right of disposal he is deemed to have unconditionally appropriated the goods in the contract.

But if a right of disposal is reserved by the seller the property in the goods so delivered does not pass to the buyer until the imposed conditions have been fulfilled. Where goods are shipped and by the bill of lading (if any) the goods are deliverable to the order of the seller or his agent the seller is *prima facie* deemed to reserve the right of disposal.

Unless otherwise agreed goods remain at the seller's risk until the property therein passes to the buyer after which they are at the buyer's risk whether delivery has been made or not. If however delivery has been delayed through the fault of either the buyer or the seller the goods are at the risk of the party in fault as regards any loss which might not have occurred but for such fault.

Transfer of Title. The question of what title a purchaser gets to the goods he buys depends largely upon what title the seller had to them. In certain circumstances a seller can only dispose of what he has. If he is the true owner of the goods he can of course pass an absolute title to the buyer and a properly authorised agent to sell of the true owner can also make a title. (See **AGENCY**.) Certain mercantile agents are empowered by statute to confer a title to goods (see **FACTORS**) and where goods are sold in market overt (q.v.) a title may be obtained from a person who is not the true owner. The Sale of Goods Act 1893 contains one or two other exceptions to the general rule that where goods are sold by a person who is not the true owner thereof and who does not sell them under the authority or with the consent of the owner the

remains with the seller and the breach complained of is non payment of the price the seller has three special rights against the goods themselves. In all other cases and so far as these special remedies are not utilised or are insufficient the seller's right is the same as for any ordinary breach of contract (as to which see CONTRACT) namely an action for damages and damages in this case are generally represented by the price and are liquidated. If however the breach complained of is that the buyer has wrongfully neglected or refused to accept and pay for the goods the seller may maintain an action for damages for non acceptance when the measure of damages will be the estimated loss directly and naturally resulting in the ordinary course of events from the breach (see DAMAGES). If there is an available market for the goods the damages will be the difference between the contract price and the market or current price at the time of the breach and any special expenses etc. incurred by the seller.

The special rights just referred to are (1) A lien on the goods or a right to retain possession of them until payment (2) a right of stoppage *in transitu* (q.v.) (3) a right in certain cases to re sell the goods.

These rights are strictly limited to an unpaid seller of goods—the term seller as here used including any person who is in the position of a seller as for instance an agent of the seller to whom the bill of lading of the goods has been indorsed or a consignee or agent who has himself paid or is directly responsible for the price and a seller is deemed to be unpaid when the whole of the price has not been paid or tendered or when a bill of exchange or other negotiable instrument has been received as conditional payment and the condition on which it was received has not been fulfilled by reason of the dishonour of the instrument or otherwise.

Lien. An unpaid seller who is in possession of goods is entitled to retain them until payment or tender of the price in the following cases namely (a) Where the goods have been sold without any stipulation as to credit or (b) where the goods have been sold on credit but the term of credit has expired or (c) where the buyer becomes insolvent. The seller may exercise his right of lien notwithstanding that he is in possession of the goods as agent or bailee for the buyer and where he has made part delivery of the goods he may exercise his right of lien or retention on the remainder unless such part delivery has been made under such circumstances as to show an agreement to waive the lien or right of retention.

He loses his lien (a) when he delivers the goods to a carrier or other bailee for the purpose of transmission to the buyer without reserving the right of disposal of the goods (b) when the buyer or his agent lawfully obtains possession of the goods (c) by waiver thereof. But he does not lose it by merely obtaining judgment for the price of the goods.

If the property in the goods has not passed to the buyer an unpaid seller has a right to withhold delivery which is similar to and co-extensive with his rights of lien and stoppage *in transitu*. The lien does not in itself give the seller a right to dispose of the goods by sale. (See LIEN.)

Re sale. A right of re-sale may be exercised by a seller when the goods are of a perishable nature when he has given notice to the buyer of his intention to re sell and the buyer does not within a

reasonable time pay or tender the price and where the seller has expressly reserved a right to re sell in case of the buyer's default. On a re sale the new buyer acquires a good title to the goods as against the original buyer and the seller may recover damages from the latter for any loss occasioned by his default which has not been covered by the produce of the re sale.

Remedies of the Buyer. Where the seller wrongfully neglects or refuses to deliver the goods to the buyer the buyer may maintain an action against the seller for damages for non-delivery the measure of damages being the same as in the case of the buyer's refusal to accept (see *ante*).

In any action for breach of contract to deliver specific or ascertained goods the court may if it thinks fit on the application of the plaintiff direct that the contract shall be performed specifically without giving the defendant the option of retaining the goods on payment of damages. The judgment may be unconditional or upon such terms and conditions as to damages payment of the price and otherwise as to the court may seem just and the application by the plaintiff may be made at any time before judgment.

As to the remedy for breach of warranty see WARRANTIES AND CONDITIONS and as to sales by auction see AUCTIONS.

The importance of the Act of 1893 is so great that it has been thought advisable in addition to the commentary upon it to set out the statute in full so that the reader may have the authoritative words of the Legislature before him if necessary.

AN ACT FOR CODIFYING THE LAW RELATING TO THE SALE OF GOODS

[10th February 1894.]

Be it enacted by the Queen's most Excellent Majesty by and with the advice and consent of the Lords Spiritual and Temporal and Commons in this present Parliament assembled and by the authority of the same as follows—

PART I

FORMATION OF THE CONTRACT

Contract of Sale

1—(1) A contract of sale of goods is a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a money consideration called the price. There may be a contract of sale between one part owner and another.

(2) A contract of sale may be absolute or conditional.

(3) Where under a contract of sale the property in the goods is transferred from the seller to the buyer the contract is called a sale, but where the transfer of the property in the goods is to take place at a future time or subject to some condition thereafter to be fulfilled the contract is called an agreement to sell.

(4) An agreement to sell becomes a sale when the time elapses or the conditions are fulfilled subject to which the property in the goods is to be transferred.

2 Capacity to buy and sell is regulated by the general law concerning capacity to contract and to transfer and acquire property.

Provided that where necessities are sold and delivered to an infant or lunatic or to a person who by reason of mental incapacity or drunkenness is

near the coasts of England Useful services of any kind rendered to a vessel or her cargo in danger of loss or damage may entitle those who render them to salvage reward Persons bringing a derelict ship, or goods belonging to her, into port, raising a sunken ship, securing wreck, or protecting the cargo of a stranded vessel by transshipping it, or removing it to a place of safety, may be entitled to salvage The supplying of mariners to a ship without a crew competent to manage her, the furnishing of an anchor and chain in boisterous weather to a ship at sea which has slipped her anchor, the rescuing of a ship from the peril of impending collision, the assisting to extinguish a fire on board a ship, are all acts which may constitute salvage services

Although it commonly happens that in rescuing property from danger the salvors necessarily expose themselves to peril, yet work involving no extraordinary exertion, enterprise, or risk may constitute a salvage service, but where risk is incurred by the salvors, that circumstance is most material with reference to the question of the amount of the reward As a general rule, a mere attempt to save lives or property, however meritorious, or whatever degree of risk or danger may have been incurred, if unsuccessful, furnishes no title to a salvage reward, salvage is a reward for benefits actually conferred, not for a service attempted to be rendered But persons may be entitled to a reward *pro tanto* for performing part of a salvage service, though others may complete it, as in the case of persons rendering needful assistance to a stranded ship which is subsequently towed off by a steamer And a person who contributes in any way to a successful result is not to be deprived of his reward simply because his efforts standing alone would have been unavailing

If part of a crew leave their ship and go on board another to save it, and thereby acquire a salvage claim, the rest, who remain, share in this claim Not equally, however, for their claim rests mainly on the increased labour, exposure, or peril which falls on them If they were as willing to go as those who went, then they are entitled to more, in proportion, than if they hung back, and they who actually performed the service were the only ones ready to make the effort or encounter the peril

A pilot is not generally entitled to salvage for his services in rescuing the vessel from a danger which happens while his duty as pilot continues, but where a vessel is in a position of exceptional danger, a pilot is not bound to go on board her for mere pilotage reward The question whether assistance given by a pilot under exceptional circumstances is to be regarded as a salvage service or not has been said to depend, in the absence of express agreement, upon what kind of agreement may be fairly presumed A pilot may be entitled to an extra reward, which may have the character of salvage, by using his boat to tow the vessel which is being piloted A tug under contract to tow another ship may become entitled to salvage reward if her towage becomes salvage

Persons acting in an official capacity have no right to salvage reward for services rendered strictly within the limits of their duty If, however, they go beyond the limits of their official duty in giving extraordinary assistance, they are entitled to be considered as salvors Officers of the coastguard and their men have various duties in respect of wrecks and casualties at sea imposed upon them by statute and by the instructions issued by the Board of Trade There are special provisions with reference

to their remuneration for these services, and for such services they are not entitled to claim more than the appointed fees, but if they incur risk or undertake labour beyond the scope of the duties committed to them—if they actually put out to sea, and with risk and effort save lives or property from a wrecked vessel—they may be entitled to salvage in the same manner and to the same extent as other salvors The official receiver of wreck can never be entitled to salvage in respect of "wreck," because it is his special duty to use his utmost exertions to save and protect wreck

Salvage by the King's ships is specially dealt with by the Merchant Shipping Act No claim can be made for any loss, damage, or risk to the King's ship or her equipment, or the use of any stores or articles belonging to the Crown supplied for those services, and no claim by the commander or crew of a King's ship is to be finally adjudicated on except by the consent of the Admiralty

Although there is a general obligation upon the officers and crew of King's ships to assist all vessels in distress, yet they are allowed to claim salvage reward for salvage services rendered by them, but the court will not recognise salvage services rendered by persons of this class unless they are of an important and meritorious character.

No claim for life salvage is maintainable unless there is property saved against which that claim can be enforced, and such a claim can only be satisfied out of that property If a ship to which life salvage has been rendered is sunk and afterwards raised, and her value, when raised, is less than the expense of raising her, although her owners have recovered her full value in an action against the ship which sunk her, there is no *res* liable to the claim If the ship is saved and the cargo is lost, life salvage is recoverable from the shipowner, if the cargo is saved and the ship lost, the cargo owner only is liable for it

The jurisdiction with regard to salvage is now vested in the Admiralty Division of the High Court of Justice The salvor can enforce his claim to compensation by means of arrest in virtue of his maritime lien, upon the thing saved. A salvor may proceed in Admiralty either against the ship (*in rem*) or against the owner (*in personam*), whether there is a salvage agreement or not, and an action *in personam* lies against the owners of a salvaged ship although the property in such ship has been transferred to other persons in whose hands it is not subject to a maritime lien Salvage, in respect of the preservation of life, when payable by the owners of the vessel, is payable in priority to all other claims for salvage Disputes as to the amount of salvage, whether of life or property, and whether rendered within or without the United Kingdom, arising between the salvor and the owners of any vessel, cargo, apparel, or wreck, if not settled by agreement, arbitration, or otherwise, are determined summarily (*i.e.*, in a county court having Admiralty jurisdiction) in the following cases, namely, (a) In any case where the parties to the dispute consent, (b) in any case where the value of the property saved does not exceed £1,000, (c) in any case where the amount claimed does not exceed in Great Britain £300, and in Ireland £200

The amount of the salvage allowed in any case is determined by the court, having regard to the extent, nature, and effect of the services rendered, and the merit and sacrifice of the persons rendering them Generally, the basis of salvaged value on which

draw a bill on the previous holder for the amount of the same and for the charges incurred

SANS FRAIS.—The French expression signifying "without expense." Its general English form is "incur no expense." When the indorser of a bill of exchange or a promissory note adds these words to his signature, using either the English or the French mode of expression, he indicates that no expenses are to be incurred on his (the indorser's) account in respect of the bill. A restriction of this kind binds only the person who uses it, and does not affect the other endorser.

SANS RECOURS.—The French equivalent for "without recourse" (*q v*), sometimes added to a signature upon a bill of exchange or a promissory note by which an endorser negatives his own personal responsibility upon the instrument.

SAPPAN WOOD.—The wood of an Indian tree, the *Cesalpinia Sappan*. It is the source of a red dye used in caheo printing.

SAPPHIRE.—A precious, transparent variety of corundum (*q v*), distinguished by its brilliancy and its beautiful blue colour, which is due to the presence of minute quantities of foreign matter. The finest stones are a bright "cornflower" blue. They are obtained from Siam, Ceylon, and Burmah. Inferior varieties have been found in Borneo, Australia, the United States, and in Bohemia. The ruby (*q v*) belongs to the same mineral species.

SAPUCAIA NUTS.—The oval seeds or nuts obtained from the large, urn-shaped fruit of a Brazilian tree, the *Leocythis zabucayo*. They are found enclosed in the case-like fruit in much the same way as Brazil nuts (*q v*), but their flavour is finer, and they yield a valuable oil. They are exported from Para.

SARAWAK.—(See BORNEO.)

SARDINE.—A favourite *hors d'œuvre*. It is a small fish of the herring family, closely resembling the pilchard (*q v*). Indeed, it is maintained that "sardine" is simply a name used commercially for young pilchards. The fish is plentiful in the Mediterranean, and owes its name to the island of Sardinia. The most important fisheries are, however, carried on off the French coast, and the tinning of sardines is one of the chief industries of Brittany. The pilchards found abundantly off the Cornish coast are either salted for exportation to Southern Europe, or preserved in oil in the same way as the sardines of France.

SAROKOWAJA.—(See FOREIGN WEIGHTS AND MEASURES—RUSSIA.)

SARSAPARILLA.—The bitter dried roots of certain evergreen shrubs of tropical America belonging to the order *Smilax*, from which a decoction is made, used in medicine as a tonic. The value of the drug is, however, open to question.

SASCHEN.—(See FOREIGN WEIGHTS AND MEASURES—RUSSIA.)

SASSAFRAS.—A North American tree of the laurel order, with an aromatic bark. It yields a volatile oil of some medicinal value in diseases of the skin.

SATIN.—A smooth fabric with a lustrous surface. It consists of closely woven silk, and is used for high-class garments, linings, trimmings, etc. The manufacture is now carried on in England, but the best satin is imported from Lyons. Satinet and sateen are cotton fabrics woven in the same way as satin, and possessing the same shining surface.

SATINWOOD.—A valuable and beautiful wood of light colour obtained from two tropical trees,

one of which is found in Southern India, and used there for building purposes, while the other grows in the West Indies. Satinwood owes its name to its smooth, lustrous surface. It is prized by cabinet makers, and is much used for inlaying and other ornamental purposes, as well as for panelling cabins on board ship.

SAUSAGES.—Chopped meats of various sorts, mixed with flour or bread and seasoning, and packed in gut skins of different lengths. Adulteration is common, and meat of doubtful freshness is used by unscrupulous manufacturers. Sausages are imported chiefly from Germany, and Bologna, in Italy; while the slans used in their production are supplied by Australia.

SAUTÉINE.—A delicate white wine made in the Bordeaux district, from a species of over-ripe grape. A similar wine is now produced in California.

SAVIN.—The *Juniperus Sabina*, a shrub of Southern Europe, and the oil obtained from it. The latter is used in pharmacy in the preparation of an ointment, and is sometimes administered internally as a diuretic, but care is required in its use.

SAVINGS BANK.—There are many varieties of savings banks—even municipal savings banks where a municipality takes deposits and pays its depositors interest. The savings banks treated of in this article are those where the State has assumed a special position in regard to such banks. But there will be excluded therefrom those established for certain classes of people only and not for the general public. Thus there are military savings banks, naval savings banks, and railway savings banks under particular Acts of Parliament. The banks which may be described generally as savings banks are those that come under (1) the Trustee Savings Banks Acts from 1863 (26 and 27 Vic c 87) to 1904 (4 Edw VII c 8), and (2) the Post Office Savings Banks, established first in 1861 by the Post Office Savings Bank Act of that year (24 and 25 Vic c 14), with subsequent enactments. The Post Office Savings Banks are also within the Act of 1863 in many respects, as the Postmaster-General was empowered in 1887 to apply its provisions to them, and from 1880 to 1904 there has been a series of Savings Banks Acts applying to both classes of banks.

1 **Trustee Savings Banks.** These are so-called because the savings bank system began about a century ago with banks managed by local trustees, who took the responsibility of accepting and investing deposits, the State in those early days assuming no responsibility. But in 1817 the Commissioners for the National Debt were empowered to receive the funds of Trustee Savings Banks, and pay interest thereon at the rate of $\frac{1}{2}$ 15s per cent per annum. The Government thus becoming their bankers, trustees were relieved of anxiety as to the safety of their investments, but this does not imply that the Government is liable to the depositors for the money deposited, and the Trustee Savings Bank is forbidden to use any title which implies that the Government is responsible. Yet alike for the Trustee Savings Banks and Post Office Savings Banks by Acts of 1861 for the latter and 1904 for the former, if there should be a deficiency of the capital fund invested to meet the claims of depositors, the Treasury on being informed thereof by the Commissioners may issue the amount of such deficiency out of the Consolidated Fund, certifying the amount to Parliament.

The definition of a trustee savings bank is given

as follows by the Act of 1863. An institution in the nature of a bank to receive deposits of money for the benefit of persons depositing, to accumulate the produce of so much thereof as is not required by the depositors their executors or administrators at compound interest and to return the whole or any part of such deposit and the produce thereof to the depositors their executors or administrators (deducting out of such produce so much as shall be required for the necessary expenses attending the management of the institution) but deriving no benefit whatsoever from any such deposit or the produce thereof.

Institutions coming under this definition must have their rule and regulations certified to this effect by the Registrar of Friendly Societies and they then become entitled to the privileges of the Act and their legal title is Savings Bank certified under the Act of 1863.

Savings banks that are not certified under the Act may be entitled to open accounts in a Trustee Savings Bank or a Post Office Saving Bank. Penny banks may do so with the consent of the Commissioners and the trustees of the bank and the Postmaster General may defray the expenses of a penny savings bank having a deposit account with them for its necessary account books and stationery and so on and for inspecting and auditing the books of the bank and these expenses of the trustees are necessary expenses allowed them under the Act. A penny savings bank for this purpose, one whose rules fix a sum not exceeding £5 as the maximum deposit of any one depositor at one time and which maximum is to be transferred in the depositor's own name in the savings bank where the deposit account is kept. Under the provisions of the Act banks of trade unions registered as friendly societies have the same privilege. Depositors in the trustee or the Post Office banks are not allowed accounts in more than one such bank or more than one account in the same bank and the amount illegally deposited may be forfeited. But the penny bank or the friendly society depositors are exempt from this provision.

The amount allowed to be deposited in any one year is £50 whether there have been drawings or not and no deposit is to be received which makes the amount of deposit more than £200 nor is interest allowed beyond that sum. While the interest allowed in the Post Office £2 10s. per cent per annum the interest in the savings banks varies according to the rules of each bank but by the Savings Bank Act 1888 it is not to exceed the Post Office rate.

Depositors both in the Trustee and the Post Office Savings Banks may invest any deposit in Government stock—the minimum amount of stock that may be sold or purchased for a depositor being £5 the maximum for any one year being £200 but the gross amount held at any one time is not to exceed £500.

The depositor may also purchase an annuity up to £100 and an endowment or life insurance may be effected for that amount in the Post Office savings banks. In what is called the special investment business of a trustee savings bank he may deposit up to £500 in addition. This special investment business of trustee savings banks is now regulated by the Act of 1904 and in which trustees may accept deposits to in effect otherwise than with the Commissioners of National Debt on certain conditions the principal being that the bank is to be open daily and to have an aggregate cash liability

to its depositors irrespective of the amount of any special investments of not less than £200 000.

In addition to these means of investment the depositor may transfer his stock from time to time into the books of the Bank of England so that there is practically no limit to his stock holding.

The Society and its Officers. The rules must provide amongst other things prescribed by the Act of 1863 that the trustees managers and treasurer or other persons having control in the management shall not derive any benefit from any deposit and shall not directly or indirectly have any salary allowance or profit whatsoever beyond their actual out of pocket expenses. The appointment and signatures of those who must sign the returns required must be certified to the Commissioners. A list of the trustees and managers must be publicly affixed in a conspicuous part of the office where the deposits are received. The trustees have no liability for what they do according to the Savings Bank Acts or the regulations or the rules of the bank but if they pay money to the wrong person the person entitled may sue the recipient. Beyond the necessary expenses of management of the institution no deductions can be made by the trustees from the deposit investments. These expenses include salaries allowances and remuneration of officers. The trustees are liable for moneys actually received on account of the savings bank and not paid over according to the rules for loss due to non-compliance with the Acts and rules and audit and examination of accounts according to take security from officers in accordance with the Acts and similar duties.

All property or moneys goods and securities and instruments of title or obligation vest in the trustees for the use and benefit of the depositors. In the case of death or removal of trustees they vest in the former and succeeding trustees without conveyance and the trustees are the persons who bring and defend action in their own names as trustees.

The Inspection Committee. This is an important body of seven members appointed for four years. One by the Governor of the Bank of England, one by the Council of the Institute of Chartered Accountants, one by the Council of the Incorporated Law Society and one by the Council of the Incorporated Friendly Societies. The other three are chosen from persons nominated by the trustees and chosen from banks with not less than £500000 in deposits. The Commissioners. The committee supervises the operations of the banks and enforces compliance with the Acts and rules. It appoints persons to examine and inspect the affairs and accounts and in cases of improper action or excessive expenditure or other default it reports to the Commissioners who may close the account of the bank if the committee objects to it.

On the recommendation of the committee, and with the assent of the Commissioners, any of the banks may amalgamate and the property and funds vest in the amalgamated bank and the trustees are resolved in the amalgamation of banks and by a special resolution of the Council of the Institute of Chartered Accountants. The committee is to submit an annual report of its proceedings to the Commissioners. **2 Post Office Savings Bank.** These banks were established in 1861 and have since that time been established in every town in England and most of the trustee savings banks have been affected by the security of the Government in any deficiency in

the funds deposited with the Postmaster-General in the post offices is met by the Treasury out of the Consolidated Fund. The Postmaster-General makes regulations as to all matters relating to the accounts of depositors and for applying to the Post Office savings banks such provisions of the trustee savings banks as he may think desirable. Thus, by the regulations, a person is prohibited from being a depositor in both a trustee and a Post Office savings bank or in accounts at different post offices, and must make a declaration that he is not.

By the Savings Bank Act of 1880 the provisions for investment of depositors' accounts in Government stock were made applicable to Post Office as well as trustee savings banks, and what has been said in respect of the latter is appropriate to the former. In both, deposit includes stock held, and as to post offices, the regulations prescribe that, when by the addition of any deposit or of any interest or dividend on stock, or by any other means the total account of a depositor exceeds £200, interest is not payable on the excess. The interest allowed on deposits is £2 10s per cent per annum. Disputes as to deposits are settled by the Registrar of Friendly Societies under practically the same rules for Post Office depositors as for those in trustee savings banks.

When the whole amount due to a depositor at his death is not more than £100, exclusive of interest, if within a time prescribed probate or letters of administration are not produced, and if the depositor has made no nomination, payment may be made by the Postmaster-General to or amongst various classes of persons named, such as creditors and the family of the depositor. Moreover, there is power under the regulations, where he considers that injustice, hardship, or inconvenience would result from adherence to such rules, to make distribution otherwise. With the exception of this discretionary power, the trustees of savings banks may proceed in the like manner. In each case, too, the Registrar of Friendly Societies will adjudicate on matters in dispute. There is also the same provision in the case of a minor that his account may be transferred from one bank to another on his own application or on that of a parent or friend, if he is under seven years of age. It may not be withdrawn, however, without the consent of the Postmaster-General, or two of the trustees or managers, until it shall be withdrawable under the rules of the bank from which it is transferred.

SAVOY.—The winter cabbage, distinguished from the common variety by its wrinkled leaves.

SAWDUST.—The refuse or dust from sawn wood has many uses. That obtained from mahogany is valuable for smoking fish, boxwood sawdust is used for drying washed gold and silver articles, jewellery, etc., and the ordinary sort is applied in a variety of ways, being used in the manufacture of oxalic acid and soda ash, in addition to its every-day employment as a stuffing for dolls, as a packing material, etc. A species of briquette, useful as fuel, may also be made from a mixture of sawdust and tar.

SCAMMONY.—A brownish gum resin, usually obtained by incision from the root of the *Convolvulus Scammonia*, a plant of Asia Minor and Syria. It is of great medicinal value as a purgative. An inferior variety of scammony comes from Smyrna, while the best is obtained from Aleppo.

SCANDINAVIAN UNION.—This Union, also called the Scandinavian Monetary Union, was

formed in 1873, in order to establish a uniformity of coinage, on the same lines as the Latin Union (*q.v.*). The members of the Union are Denmark, Norway, and Sweden. (See FOREIGN MONIES, LATIN UNION.)

SCHEDULE.—A list or an inventory (*q.v.*). It is the name generally applied to a document or a part of a document appended to or accompanying some other or a larger document. It generally takes the form of a list or catalogue, and gives additional particulars as to the document to which it refers, which particularly cannot be conveniently incorporated in the original document itself. Thus, a schedule is always added to a bill of sale (*q.v.*) setting out a full list of all the goods which are to form the security given to the lender of the money under the bill of sale.

SCHOOLS, COMMERCIAL.—(See COMMERCIAL EDUCATION.)

SCHOOLS, CONTINUATION.—(See CONTINUATION SCHOOLS.)

SCHOPPEN.—(See FOREIGN WEIGHTS AND MEASURES—GERMANY.)

SCILICET.—A contraction of the two Latin words, *scire licet*, "you may know." In its rare use in English it means "that is to say," "namely," "to wit." (Compare VIDELICET.)

SCOTCH BANKING.—Banking in Scotland has been extremely successful, and it is doubtful whether there are any other people who possess so many facilities for banking as the Scotch. The Bank of Scotland was established in 1695, the year following that in which the Bank of England was established, its founder being an Englishman named Holland. Its initial capital was £100,000.

Real banking began in Scotland after the Union in 1707. Though in most respects similar to the English system, there are two features in which Scotch banking is peculiar: (1) the issue of one pound notes, and (2) the cash credit system.

The issue of the one pound notes has been very useful as economising the amount of coin necessary as a circulating medium, and there is a preference in Scotland for these notes instead of coin. It appears that about two-thirds of the total issue of bank notes consist of those which are of this denomination.

The issue of bank notes in Scotland was regulated by an Act passed in 1845, and this Act followed pretty generally the lines of the Bank Charter Act of 1844. All existing banks which issued notes at that date had reserved to them the right of issue for the future. This restriction prevented, to a certain extent, the creation of any new banks in Scotland. No bank, however, was privileged. The amount of the issue of notes without the security of a reserve was fixed at £3,087,209, and the proportionate issue of each bank was determined by a process set out in the Act. Beyond this amount, a reserve of gold must be held to meet the issue. The authorised issue without a reserve has been much reduced by various banking amalgamations and failures, and it now stands at about £2,500,000. Each bank in Scotland is required to make a regular return of its note issue to the Stamp Office.

Scotch bank notes are not legal tender, nor are English bank notes legal tender in Scotland.

The cash credit system, the second distinctive feature of Scotch banking, originated with the Royal Bank of Scotland in 1728. The system cannot be better explained than in the words of the report of the Lords' Committee issued in 1826: "This system has had the best effects upon the

muddling and poorer classes of society in producing and encouraging habits of frugality and industry. Any person who applies to a bank for a cash credit is called upon to produce two or more competent sureties who are jointly bound and after a full inquiry into the character of the applicant the nature of his business and the sufficiency of his sureties he is allowed to open a credit and to draw upon the bank for the whole of its amount or for such part as his daily transactions may require. To the credit of this account he pays in such sums as he may not have occasion to use and interest is charged or credited upon the daily balance as the case may be. From the facility which these cash credits give to all the small transactions of the country and from the opportunities which they afford to persons who begin business with little or no capital but their character to employ profitably the minutest products of their industry it cannot be doubted that the most important advantages are derived to the whole community. The advantages to the banks who give these cash credits arise from the call which they continually produce for the issue of their paper and from the opportunity which they afford for the profitable employment of part of their deposits. The banks are indeed so sensible that in order to make this part of their business advantageous and secure it is necessary that their cash credits (as they express it) be frequently operated upon and that they refuse to continue them unless this implied condition be fulfilled.

The cash credit system has had the great advantage of allowing the Scotch banks to make full employment and use of their resources. Branch establishments have been set up in all directions. The deposit system has been in existence from an early date. Interest deposits has always been allowed. It is not surprising therefore that there are comparatively few savings banks to be found in the country.

It is a striking fact of how closely the prosperity of the country is bound up with its banking institutions that the shareholders in Scotch banks are extremely numerous.

SCOTCH LICENSING LAWS—The first and principal Act of the Licensing (Scotland) Acts 1828 to 1897 was the Act of 9 Geo IV c 53 which was passed for the purpose of regulating the grant of certificates by justices and magistrates authorising persons to keep common inns, ale-houses and victualling houses in which ale, beer, spirits, wine and other excisable liquors were sold by retail under excise licences, for the better regulation of such houses and for the prevention of such houses being kept without such certificates.

The Act provided only one form of certificate for inns and hotels, public houses and dealers in spirits (including grocers and provision dealers who traded to spirits) and contained several conditions which are still in force, e.g. not to keep open or suffer or permit any drinking or tipping during the hours of abstinence on Sundays.

By the Act of 1863 provision was made for three different kinds of certificates: (1) for inns and hotels; (2) for public houses; and (3) for dealers in spirits and grocers and provision dealers trading in spirits.

The certificate for inns and hotels provides that the licensee may keep an inn or a hotel for the sale in the said house but not elsewhere of victuals and of spirits, wine, porter, ale, beer, and Perry

or other excisable liquors provided the licensee has also an excise licence for selling the same subject however to the following terms and conditions—

(1) He must not fraudulently adulterate the bread or other victuals or liquor sold by him or sell the same knowing them to have been fraudulently adulterated.

(2) He must not sell any groceries or other uncooked provisions in the said house or premises to be consumed elsewhere.

(3) He must not knowingly permit any breach of the peace, drunkenness, riotous or disorderly conduct within the said house or premises and must not himself be intoxicated on the premises.

(4) He must not knowingly permit or suffer men or women of notoriously bad fame or girls or boys to assemble and meet therein.

(5) He must not keep open house or permit or suffer any drinking on any part of the premises belonging thereto or sell or give out any liquors therefrom before 8 a.m. or after such hour at night (not earlier than 10 p.m. or later than 11 p.m.) as shall be fixed by the licensing court, with the exception of refreshment to travellers or to persons requiring to lodge in the said house or premises.

(6) He must not open his house for the sale of any excisable liquors or permit or suffer any drinking therein or on the premises belonging thereto or sell or give out the same on Sunday, except for the accommodation of lodgers and travellers.

(7) He must not supply excisable liquors to girls or boys apparently under fourteen years old or to intoxicated persons.

(8) He must not permit or suffer any unlawful game in the said premises.

(9) He must maintain good order and rule within his premises.

The certificate for public houses provides that the licensee may keep a public house subject to similar terms and conditions as are contained in the hotel certificate and there is a further provision that he must not receive or take in as the price or for the supply of excisable liquors any wearing apparel, goods or chattels and in Clauses 5 and 6 the exception in favour of lodgers and travellers is omitted.

The certificate for dealers in excisable liquors and grocers and provision dealers trading in excisable liquors, contains similar provisions to those for public houses, e.g. conditions (1) (3) (4) (6) (7) and (9). Further the licensee must not traffic in or give any spirits, wine or other excisable liquors to be drunk or consumed on the said premises and must not receive or take in as the price or for the supply of excisable liquors any wearing apparel, goods, or chattels and he must not traffic in or give out thereof any liquors before 8 a.m. or after the hour fixed by the licensing committee which must be not earlier than 40 p.m. nor later than 11 p.m.

The licensing authority in Scotland consists of burgh licensing courts and county licensing courts, and also the high and county courts of appeal. The justices of a county may divide it into districts for the purpose of administering the Licensing Acts. The justices or magistrates prescribe regulations which must be approved by the licensing committee. In England by section 40 of the Licensing (Consolidation) Act 1910 certain day and night

passes, and runs through Dunkeld, Blar Athol, Aviemore (branch to Elgin), Inverness, Dingwall (branch to Stromess Ferry), Tain, and Helmsdale to Wick and Thurso.

Commerce. The foreign trade of Scotland is largely conducted by Glasgow, whose greatest trade is with America. The east coast ports trade with the Baltic and North Sea countries of Europe, and also do an extensive coasting trade. On the west the chief seaports are Glasgow, Greenock, and Ardrrossan, while those of the east coast are Leith, Grangemouth, Dundee, and Aberdeen. The sea-routes between Scotland and Ireland are Glasgow and Greenock to Londonderry, Belfast, and Dublin, Ardrrossan and Troon to Belfast, and Stranraer to Larne (the shortest sea-passage between Great Britain and Ireland). The principal exports are manufactured goods (including iron, linen, cotton and woollen goods, whisky), cattle, and fish, and the imports, as might be expected, are chiefly raw materials for manufactures and food-stuffs of all kinds.

Trade Centres. The population of Scotland is chiefly centred in the Midland Valley, especially in the Forth and Clyde basins, and in the coastal towns, there is no ring of large towns in Scotland, not even in the Glasgow district, comparable to the ring of cotton towns in Lancashire. About one-third of the total population is contained in the four towns. Glasgow (with over 885,000), Edinburgh (370,000), Dundee (with over 170,000), and Aberdeen (with nearly 190,000), no other towns have populations of 100,000. The trade centres are the seaports, manufacturing towns, and towns commanding routes.

Seaports. *Glasgow*, on the Clyde, the second largest city in the British Isles, and the largest shipbuilding port in the world, owes its importance to the Lanark coalfield with its coal, limestone, and non-ore, its relation to the New World, its site in relation to communications by sea and land, and its position at the lowest bridged point of the Clyde, which gives it advantages over the other Clyde ports. Its numerous industries include almost every kind of manufacture. Its population, as above stated, is nearly 900,000.

Greenock (75,000) is the only other port of much consequence on the Clyde, its export trade is small and its only industries of importance are the refining of sugar and the smelting of iron.

Ardrrossan and *Troon* are the coal ports of the Lanark coalfield, and carry on an export trade with Belfast.

Leith (90,000), the seaport of Edinburgh, exports machinery, coal, cotton goods, and linen goods to the Baltic and North Sea countries. Its industries include shipbuilding and distilling.

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Greenock, on the Forth, is the eastern outlet of the coal and iron fields of the Central Valley.

Other towns commanding routes. *Edinburgh*, *Stirling*, *Perth*, and *Inverness* are excellent examples.

Edinburgh (370,000), the capital of Scotland, and the seat of the law courts, stands in the defile between the Pentlands and the eastern coast, and commands routes leading to the Midland Valley, and the eastern entrances into England. As a printing and publishing centre it is important; its other industries are brewing, distilling, and milling.

Stirling, like Edinburgh, grew round a castle, and is situated on a high volcanic rock, which overlooks the Forth. It commands one of the most important routes from the Highlands to the Lowlands; like many other towns of strategic importance, it has become a great railway centre. Railway lines from both sides of the Forth meet here, and diverge again. Its manufactures are tartans and woollens.

Perth (the Fair City) is a strategic and railway centre. Its position on the Tay corresponds very much with that of Stirling on the Forth. Railway lines from Stirling and Edinburgh enter it from the south, and other lines diverge from it in many directions. It commands routes to the Highlands, and to Aberdeen, Stirling, and Edinburgh, and is at the head of the navigation of the Tay. Linen and jute goods are among its manufactures, but its main industry is the dyeing and cleaning of textiles, for which the purity of the waters of the Tay is a great advantage. The population is about 40,000.

Inverness, situated on Moray Firth, at the north-east end of the Caledonian Canal, commands the routes northwards, westwards, and along Glenmore. It is the natural capital of the Highlands, and has a fair trade, and small industries of distilling and the manufacture of woollens.

The remaining manufacturing towns, not previously described, are of comparatively small size; they are the "Tweed" woollen towns, with populations of about 20,000 each, the manufacturing towns of the Clyde with populations ranging from 20,000 to 80,000, *Paisley* being the largest with over 95,000 inhabitants, and the jute, hemp, and linen centres of the east coast, with populations varying from 20,000 to 30,000.

SCRAP.—Chippings of wrought iron and waste old iron of any sort. Scrap iron is exported from England in large quantities for the purpose of re-melting.

SCREW-NAILS.—These nails, usually of iron, brass, or copper, are supplied with a spiral groove, which involves their being screwed (instead of hammered) into the article for which they are required as a fastening. Since the middle of the nineteenth century they have been made by machine. Birmingham is the centre of the English industry, which has to compete with the manufactures of Germany and the United States. The technical name for these articles is wood screws.

SCRIP.—Scrip is a term usually employed to denote the provisional certificate or document indicating possession of so much of a loan, or so many shares, that have been issued for subscription, until such time as the definitive bond or certificate is ready for delivery. In the case of new issues of loans or shares, it is customary for subscribers to have to pay a certain proportion on application, a further instalment on allotment, and further instalments on fixed dates. The subscriber to such a new issue who receives an allotment is furnished with an allotment letter, and after he has paid the next instalment he usually exchanges his allotment letter for a provisional certificate showing the amount of stock or shares of which he is the holder, and the dates on which further payments

are due. After the final instalment has been paid the definitive bonds are issued in exchange for the scrip. It often occurs that some months elapse between the issue of the provisional scrip and the definitive bonds being ready for delivery and during the interval the scrip may pass from hand to hand in fulfilment of any bargains that may have taken place in the partly paid security.

The following is a specimen of a scrip certificate—

£100 No 4673
FOREIGN GOVERNMENT 5 PER CENT STERLING
LOAN OF 1912 FOR £2,000,000 AT 90 PER CENT
Scrip Certificate for £100

The Bearer of this scrip certificate has paid in respect of One hundred pounds of the above loan the sum of £10 leaving a balance of £80 payable as follows—

£10 per cent on 1st July 1912
£10 per cent on 1st August 1912
£10 per cent on 1st September 1912
£25 per cent on 1st October 1912
£25 per cent on 1st November 1912

After payment of the above instalments the Bearer will be entitled to a duly stamped bond in exchange for this scrip certificate. Due notice will be given by advertisement in *The Times* when the bonds are ready for delivery.

Default in payment of any instalment will render all previous payments liable to forfeiture.

For The British Banking Co Ltd
Registered JOHN BROWN
London 1912 General Manager

Receipt for Instalment of 10 per cent
Due 1st July 1912

Received 1912 the sum of Ten pounds
being the instalment due 1st July 1912

For The British Banking Co Ltd
£10 Cashier

Receipt for Instalment of 10 per cent
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being the instalment due 1st September 1912

For The British Banking Co Ltd
£10 Cashier

Receipt for Instalment of 25 per cent
Due 1st October 1912

Received 1912 the sum of Twenty five pounds
being the instalment due 1st October 1912

For The British Banking Co Ltd
£25 Cashier

Receipt for Instalment of 25 per cent
Due 1st November 1912

Received 1912 the sum of Twenty five pounds
being the instalment due 1st November 1912

For The British Banking Co Ltd
£25 Cashier

FOREIGN GOVERNMENT 5 PER CENT STERLING LOAN 1912

Coupon for Two pound ten shillings due 1st
December 1912

Payable at The British Banking Co Ltd
London
£2 10s 0d

By the Stamp Act 1891 the duty chargeable is
fixed as follows—

Scrip Certificate Scrip or other document

(1) Entitling any person to become the proprietor of any share of any company or proposed company

(2) Issued or delivered in the United Kingdom and entitling any person to become the proprietor of any share of any foreign or colonial company or proposed company

(3) Denoting or intended to denote the right of any person as a subscriber in respect of any loan raised or proposed to be raised by any company or proposed company or by any municipal body or corporation

(4) Issued or delivered in the United Kingdom and denoting or intended to denote the right of any person as a subscriber in respect of any loan raised or proposed to be raised by or on behalf of any foreign or colonial state government municipal body, corporation or company

The word share in the above Schedule includes a fractional part of a share (Section 9 Revenue Act 1903)

Every person who issues any scrip certificate or scrip before the same is duly stamped incurs a fine of twenty pounds (Section 79 Stamp Act)

The separate receipts upon a scrip certificate are exempt from stamp duty. The exemption is given by the Stamp Act 1891 under Receipt (see RECEIPT) as follows—Receipt indorsed or otherwise written upon or contained in any instrument liable to stamp duty, and duly stamped acknowledging the receipt of the consideration money thereon expressed or the receipt of any principal money interest or annuity thereby secured or therein mentioned

A coupon attached to a scrip certificate requires to be stamped

SCRUTINER—The name of a person who makes up his principal business to put out the money of his clients at interest receiving a salary or a commission for his work and labour. The commission so paid is frequently spoken of as a "procuration fee."

SCRUPLE—A small weight equal to twenty grains (See WEIGHTS AND MEASURES)

SCRUTINER—Literally, a person who makes a close examination of anything. It is often provided by the articles of association of a joint-stock company that when a poll of the members has to be taken a scrutineer shall be appointed whose duty it is to count the votes. If the articles are silent upon the matter the chairman of the meeting may appoint a scrutineer or he may himself act in that capacity.

SCRUTINY—An examination of the voting paper given at an election or upon a poll being

passes, and runs through Dunkeld, Blair Athol, Aviemore (branch to Elgin), Inverness, Dingwall (branch to Strone Ferry), Tain, and Helmsdale to Wick and Thurso.

Commerce. The foreign trade of Scotland is largely conducted by Glasgow, whose greatest trade is with America. The east coast ports trade with the Baltic and North Sea countries of Europe, and also do an extensive coasting trade. On the west the chief seaports are Glasgow, Greenock, and Ardrossan, while those of the east coast are Leith, Grangemouth, Dundee, and Aberdeen. The sea-routes between Scotland and Ireland are Glasgow and Greenock to Londonderry, Belfast, and Dublin, Ardrossan and Troon to Belfast, and Stranraer to Larne (the shortest sea-passage between Great Britain and Ireland). The principal exports are manufactured goods (including iron, linen, cotton and woollen goods, whiskey), cattle, and fish, and the imports, as might be expected, are chiefly raw materials for manufactures and food-stuffs of all kinds.

Trade Centres. The population of Scotland is chiefly centred in the Midland Valley, especially in the Forth and Clyde basins, and in the coastal towns, there is no ring of large towns in Scotland, not even in the Glasgow district, comparable to the ring of cotton towns in Lancashire. About one-third of the total population is contained in the four towns Glasgow (with over 885,000), Edinburgh (370,000), Dundee (with over 170,000), and Aberdeen (with nearly 190,000), no other towns have populations of 100,000. The trade centres are the seaports, manufacturing towns, and towns commanding routes.

Seaports. *Glasgow*, on the Clyde, the second largest city in the British Isles, and the largest shipbuilding port in the world, owes its importance to the Lanark coalfield with its coal, limestone, and iron-ore, its relation to the New World, its site in relation to communications by sea and land, and its position at the lowest bridged point of the Clyde, which gives it advantages over the other Clyde ports. Its numerous industries include almost every kind of manufacture. Its population, as above stated, is nearly 900,000.

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proportion of the profits after so much has been paid on the ordinary shares. In the case of very successful companies such as Harrods Stores for example they are often extremely valuable.

Capital Stock. In the foregoing remarks we have purposely used the term shares and not stock to avoid confusion. Often however a company's capital exists not in the shape of shares but in the shape of stock thus one may have 5 per cent preference stock ordinary stock or deferred ordinary stock. The only difference here is that instead of the capital of the company being divided into so many equal shares of say £1 each or £5 each it is divisible and transferable in any broken amount. The word stock is however used in another sense which we will now describe.

Forms of Securities. The three main forms of securities are stock shares and bonds. Stock may be loan stock as in the case of India Government loan or it may be capital stock as in the case of the London General Omnibus Company—that is to say the holder of £500 of India 3 per cent stock is a creditor of the Government of India to the amount named whilst the holder of £500 worth of London General Omnibus Company's stock is a partner in that company to the extent of holding £500 worth of capital therein. The ownership of such stock is usually denoted by a certificate (sometimes called stock certificate) which certifies that so-and-so is the registered proprietor of so much stock and this stock may be transferred by surrender of the certificate accompanied by a deed of transfer executed by the individual named on the certificate in the manner described under the heading of TRANSFER OF SHARES. In the case of some Government stocks however transfer can only be effected by the proprietor or a person authorised by him by means of a Power of Attorney attending at the Bank of England or other bank and signing a register stock transferable only in this manner is known as inscribed stock. The system is cumbersome and vexatious and the tendency is towards its abolition.

The difference between stock and shares is that whereas shares represent so many different parts of the capital of equal value stock is transferable in odd amounts. In the case of a company having a capital divided into shares of £5 each or £1 each it is possible only to purchase and deal with shares of this denomination or multiples thereof whereas in the case of stock one can purchase an odd amount. It is possible to buy so odd an amount as £23 13s 7d of Consol or most similar stocks. It may be mentioned that stock is always fully paid i.e. no liability for further payment can attach to it whereas partly paid shares carrying a liability of a further call may be issued in documentary form.

Stock or shares in respect of which a certificate in the name of the proprietor is issued and which are transferable by deed of transfer are known as registered stock or registered shares and this applies equally to debenture stock and capital stock. All these classes of securities can however be issued in another form viz that of bearer warrants or bonds, a full description of which will be found under the headings of BEARER SECURITIES and BONDS respectively. The difference between registered stock or shares and bearer bonds or share warrants to bearer (strictly speaking bond is used to denote a debenture made out in favour of the bearer whilst shares issued in this form are known as bearer shares or share warrants to bearer.)

is that the proprietor of the former has his name entered in a register and receives dividends & interest and other communications direct and can only transfer his stock or shares by means of a deed of transfer whereas bearer securities are transferable by the mere passing from hand to hand and dividend or interest is paid to anyone presenting the due coupons detached from the bearer bond or warrant.

SECURITY.—Something which is given or handed over by a debtor to a creditor in order to secure the repayment of money lent. The object of the security is to give a certain right or interest to the creditor whereby he is able to recover the amount of the debt which he owed more easily than by an action at law if the debtor is in default. In the case of banking transactions where a banker advances money to a customer the customer generally deposits documents which are set out in the last article (See SECURITIES). But in other cases where the debtor cannot or does not wish to divest himself of his property completely the security takes the form of a bill of sale (qv) or a mortgage (qv). Sometimes a guarantee (qv) on the part of a reliable person is accepted as a security. In every case the value of the security given should be greater than the amount of the money lent.

A person who takes a security is in the position of a secured creditor (qv) and if the debtor afterwards becomes bankrupt he may be in such a position that he cannot sustain any loss. But if the bankruptcy occurs very shortly after the giving of the security the transaction may be objected to as a fraudulent preference (qv). Thus by section 48 of the Bankruptcy Act 1883—

(1) Every conveyance or transfer of property or charge thereon made every payment made every obligation incurred and every judicial proceeding taken or suffered by any person unable to pay his debts as they become due from his own money in favour of any creditor or any person in trust for any creditor with a view of giving such creditor a preference over the other creditors shall if the person making taking paying or suffering the same is adjudged bankrupt on a bankruptcy petition presented within three months after the date of making taking paying or suffering the same be deemed fraudulent and void as against the trustee in the bankruptcy.

(2) This section shall not affect the rights of any person making title in good faith and for valuable consideration through or under a creditor of the bankrupt.

Another ground on which a security may be objected to is where undue influence has been exercised as might occur in the case of a father or mother unduly pressing a son or a daughter who has just come of age and has succeeded to an estate to give a security to a person for a loan.

A distinction is to be noticed between a security given upon property and one which is given upon the guarantee of another person. The latter is known as a personal security and it simply entitles the right of the creditor to sue for the recovery of a sum of money which the guarantor has undertaken to pay. A bond (qv) is the most common form of a personal security.

EPICHOIRAGE OR SEIGNIORAGE.—This is the charge or deduction made by the Government to cover the cost of the manufacture of coins. There is no profit made upon the gold coinage. Gold bullion is purchased at £1 17s. 9d. per ounce and

holders and the holders of any other issue of shares having prior rights over his have been satisfied in full. Companies often issue, in addition to their ordinary shares, a class of share known as a "preferred share," which carries interest at a fixed rate, i.e., the holder of a 5 per cent preferred or preference share receives only 5 per cent, however high the profits may be, the circumstance, however, that the rate of interest is fixed does not alter the fact that the holder of such preference share is a partner and not a creditor, and if the dividend is not earned, he cannot claim it as a debt in the way that the debenture holder can claim his interest, and in the event of liquidation he can only participate in any distribution of assets after the claims of the debenture holders have been met in full, although he will probably take precedence of holders of ordinary shares in this respect, preference shares usually having prior rights over ordinary shares.

The following are the most usual classes of securities. First come

Government, State, Provincial, or Municipal Loans. These are loans issued by the various governing authorities, familiar types of which are Consols and London County Council stock. This class of security is generally an acknowledgment of so much money lent to the Government or municipality, which undertakes to pay interest at fixed dates, and in some cases to repay the principal at a certain date, or even within a certain period. No specific security is given, the lender having to rely upon the good faith of the borrowing authority.

The next familiar form of security of this description is **Debentures**, sometimes called debenture stock, the word "stock" here being used to denote the form in which the loan is issued. Debentures are loans issued by companies (although the term "debentures" is sometimes used in connection with municipal loans), unlike Government loans, however there is usually some specific security afforded for the loan, the nature of such security being generally indicated by the title of the debentures. Thus, first mortgage debentures indicates that the loan is secured by a first mortgage on the assets of the borrowing company, and second mortgage debentures shows clearly enough that in front of these debentures there is another loan secured by way of a first mortgage on the company's assets. Sometimes, instead of first and second mortgage debentures, one hears of "A" debentures and "B" debentures, or first debentures and second debentures, which means that, while both are loans, in the event of the company going into liquidation, the first issue must be repaid before holders of the second issue have their money returned to them.

Leaving the subject of loans, we come to shares, the possession of which, as already stated, constitutes a partnership, or participation in a company, whereas the holding of debentures places one in the safer and more privileged, although sometimes less profitable, position of being a creditor. Two classes of shares are by far the most common, viz., preferred or preference shares and ordinary shares.

Preference Shares. As the name indicates, enjoy superior rights to ordinary shares. A fixed dividend rate is usually attached to them, and the holder of a preference share is entitled to receive an annual or semi-annual distribution, as the case may be, at the rate per cent named, before anything is paid on the ordinary shares. He is not, however, entitled

to receive such dividend unless it has been earned, in which respect he differs from the holder of debentures, whose right to receive his interest is not contingent upon the profits being sufficient. In the case, therefore, of a struggling company, the holder of a 5 per cent preference share does not necessarily receive his full 5 per cent dividend, he may, indeed, in bad times receive nothing at all, or it may occur that the profits permit of the payment of, say, 3 per cent, but not the full 5 per cent, in which case he may only receive payment at the former rate. As regards the balance of 2 per cent, his position will vary according to whether the preference shares are cumulative or non-cumulative. In the former case, the holder has a lien on future profits in respect of any deficiency in the rate of previous dividends, that is to say, in the hypothetical case here given, the holder of a 5 per cent preference share who received only 3 per cent would be entitled to the balance of 2 per cent, as well as any other arrears that might accrue out of the profits of later years, should they at any time permit of the payment of these arrears, or any portion of them, before the holders of ordinary shares could receive any dividend. In the case of non-cumulative preference shares, however, there would be no right to any arrears, and the 3 per cent would have to be accepted in full satisfaction of his dividend for the period in respect of which it was paid, the share not conferring any right at any subsequent period to receive the difference of 2 per cent, in other words, the holder of a non-cumulative preference share is entitled to the dividend only in the event of its being earned, and his preference consists merely in the fact that he is entitled to the full amount of his dividend in any given year before holders of ordinary shares may receive a dividend. Thus far we have referred to preference in the matter of dividends only; but preference shares usually have an advantage over ordinary shares in the matter of capital, that is to say, in the event of liquidation they usually take precedence over the ordinary shares in any distribution of assets, but the exact nature of such preference varies according to the terms of issue.

There is a sort of hybrid share, a cross between a preference share and an ordinary share, known as **Participating Preference Shares.** These are shares which enjoy a preference in the manner of preference shares, but participate in a determined proportion in any surplus dividend, after the ordinary shares have received so much. For example, a 7 per cent. participating preference share may carry with it the right, after receiving its 7 per cent, to share equally with the ordinary shares in any surplus distribution after 7 per cent. has been paid on the ordinary shares.

Ordinary Shares. These are the parts into which the ordinary share capital of a company is divided, and share in the profits after all prior charges, such as debenture interest and the dividends on preference shares, have been paid.

Deferred (or Deferred Ordinary) Shares. This is a class of share ranking behind the ordinary share, and is often the result of a splitting or division of a former issue of ordinary shares. Its relation to the ordinary share is much the same as that of the ordinary share to the preference share, the conditions and proportion in which it participates in profits being laid down in the terms of issue.

Founders' Shares. Founders' shares exist in the case of some companies, and usually to give a fixed

proportion of the profits after so much has been paid on the ordinary shares. In the case of very successful companies such as Harrods Stores for example they are often extremely valuable.

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(2) This section shall not affect the rights of any person making title in good faith and for valuable consideration through or under a creditor of the bankrupt.

Another ground on which a security may be objected to is where undue influence has been exercised as might occur in the case of a father or mother unduly pressing a son or a daughter who has just come of age and has succeeded to an estate to give a security to a person for a loan.

A distinction is to be noticed between a security given upon property and one which is given upon the guarantee of another person. The latter is known as a personal security and it simply indicates the right of the creditor to sue for the recovery of a sum of money which the guarantor has not taken to pay. A bond (qv) is the most common form of personal security.

SLIGHTERAGE OR SEIGNIORAGE.—This is the charge or deduction made by the Government to cover the cost of the manufacture of coins. There is no profit made upon the gold coinage. Gold bullion is purchased at £3 17s 9d per ounce and

holders and the holders of any other issue of shares having prior rights over his have been satisfied in full. Companies often issue, in addition to their ordinary shares, a class of share known as a "preferred share," which carries interest at a fixed rate, *i. e.*, the holder of a 5 per cent preferred or preference share receives only 5 per cent, however high the profits may be, the circumstance, however, that the rate of interest is fixed does not alter the fact that the holder of such preference share is a partner and not a creditor, and if the dividend is not earned, he cannot claim it as a debt in the way that the debenture holder can claim his interest, and in the event of liquidation he can only participate in any distribution of assets after the claims of the debenture holders have been met in full, although he will probably take precedence of holders of ordinary shares in this respect, preference shares usually having prior rights over ordinary shares.

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Leaving the subject of loans, we come to shares, the possession of which, as already stated, constitutes a partnership, or participation in a company, whereas the holding of debentures places one in the safer and more privileged, although sometimes less profitable, position of being a creditor. Two classes of shares are by far the most common, *viz.*, preferred or preference shares and ordinary shares.

Preference Shares, as the name indicates, enjoy superior rights to ordinary share. A fixed dividend rate is usually attached to them, and the holder of a preference share is entitled to receive an annual or semi-annual distribution, as the case may be, at the rate per cent named, before anything is paid on the ordinary shares. He is not, however, entitled

to receive such dividend unless it has been earned, in which respect he differs from the holder of debentures, whose right to receive his interest is not contingent upon the profits being sufficient. In the case, therefore, of a struggling company, the holder of a 5 per cent preference share does not necessarily receive his full 5 per cent dividend; he may, indeed, in bad times receive nothing at all, or it may occur that the profits permit of the payment of, say, 3 per cent, but not the full 5 per cent, in which case he may only receive payment at the former rate. As regards the balance of 2 per cent, his position will vary according to whether the preference shares are cumulative or non-cumulative. In the former case, the holder has a lien on future profits in respect of any deficiency in the rate of previous dividends, that is to say, in the hypothetical case here given, the holder of a 5 per cent preference share who received only 3 per cent would be entitled to the balance of 2 per cent, as well as any other arrears that might accrue out of the profits of later years, should they at any time permit of the payment of these arrears, or any portion of them, before the holders of ordinary shares could receive any dividend. In the case of non-cumulative preference shares, however, there would be no right to any arrears, and the 3 per cent would have to be accepted in full satisfaction of his dividend for the period in respect of which it was paid, the share not conferring any right at any subsequent period to receive the difference of 2 per cent, in other words, the holder of a non-cumulative preference share is entitled to the dividend only in the event of its being earned, and his preference consists merely in the fact that he is entitled to the full amount of his dividend in any given year before holders of ordinary shares may receive a dividend. Thus far we have referred to preference in the matter of dividends only, but preference shares usually have an advantage over ordinary shares in the matter of capital, that is to say, in the event of liquidation they usually take precedence over the ordinary shares in any distribution of assets, but the exact nature of such preference varies according to the terms of issue.

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Participating Preference Shares. These are shares which enjoy a preference in the manner of preference shares, but participate in a determined proportion in any surplus dividend, after the ordinary shares have received so much. For example, a 7 per cent participating preference share may carry with it the right, after receiving its 7 per cent, to share equally with the ordinary shares in any surplus distribution after 7 per cent has been paid on the ordinary shares.

Ordinary Shares. These are the parts into which the ordinary share capital of a company is divided, and share in the profits after all prior charges, such as debenture interest and the dividends on preference shares, have been paid.

Deferred (or Deferred Ordinary) Shares. This is a class of share ranking behind the ordinary share, and is often the result of a splitting or division of a former issue of ordinary shares. Its relation to the ordinary share is much the same as that of the ordinary share to the preference share, the conditions and proportion in which it participates in profits being laid down in the terms of issue.

Founders' Shares. Founders' shares exist in the case of some companies, and usually receive a fixed

proportion of the profits after so much has been paid on the ordinary shares. In the case of very successful companies such as Harrods Stores for example they are often extremely valuable.

Capital Stock. In the foregoing remarks we have purposely used the term shares and not stock to avoid confusion. Often however a company's capital exists not in the shape of shares but in the shape of stock; thus one may have 5 per cent preference stock, ordinary stock or deferred (ordinary) stock. The only difference here is that instead of the capital of the company being divided into so many equal shares of say £1 each or £5 each it is divisible and transferable in any broken amount. The word stock is however used in another sense which we will now describe.

Forms of Securities. The three main forms of securities are stock shares and bonds. Stock may be loan stock as in the case of India Government Loan, or it may be capital stock as in the case of the London General Omnibus Company—that is to say, the holder of £500 of India 3 per cent stock is a creditor of the Government of India to the amount named whilst the holder of £500 worth of London General Omnibus Company's stock is a partner in that company to the extent of holding £500 worth of capital therein. The ownership of such stock is usually denoted by a certificate (sometimes called stock certificate) which certifies that so-and-so is the registered proprietor of so much stock, and this stock may be transferred by surrender of the certificate accompanied by a deed of transfer executed by the individual named on the certificate in the manner described under the heading of TRANSFER OF SHARES. In the case of some Government stocks however transfer can only be effected by the proprietor or a person authorised by him by means of a Power of Attorney, attending at the Bank of England or other bank and signing a register, stock transferable only in this manner is known as *inregistered stock*. The system is cumbersome and vexatious and the tendency is towards its abolition.

The difference between stock and shares is that whereas shares represent so many different parts of the capital of *equal value* stock is transferable in odd amounts. In the case of a company having a capital divided into shares of £5 each or £1 each it is possible only to purchase an odd number of shares of this denomination or multiples thereof, whereas in the case of stock one can purchase an odd amount. It is possible to buy so odd an amount as £23 13s 7d of Consols or most similar stocks. It may be mentioned that stock is always fully paid, i.e. no liability for further payment can attach to it, whereas partly paid shares carry a liability of a further call may be issued in documentary form.

Stock or shares in respect of which a certificate in the name of the proprietor is issued and which are transferable by deed of transfer are known as registered stock or registered shares and thus apply equally to debenture stock and capital stock. All these classes of securities can however be issued in another form viz that of bearer warrants or bonds a full description of which will be found under the headings of BEARER SECURITIES AND BONDS respectively. The difference between registered stock or shares and bearer bonds or share warrants to bearer (strictly speaking bond is used to denote a debenture made out in favour of the bearer whilst shares issued in this form are known as bearer shares or share warrants to bearer.)

is that the proprietor of the former has his name entered in a register and receives dividends or interest and other communications direct and can only transfer his stock or shares by means of a deed of transfer whereas bearer securities are transferable by the mere passing from hand to hand and dividend or interest is paid to anyone presenting the due coupons detached from the bearer bond or warrant.

SECURITY.—Something which is given or handed over by a debtor to a creditor in order to secure the repayment of money lent. The object of the security is to give a certain right or interest to the creditor whereby he is able to recover the amount of the debt which is owed more easily than by an action at law if the debtor is in default. In the case of banking transactions where a banker advances money to a customer the customer generally deposits documents which are set out in the last article (See SECURITIES). But in other cases where the debtor cannot or does not wish to divest himself of his property completely, the security takes the form of a bill of sale (*q.v.*) or a mortgage (*q.v.*). Sometimes a guarantee (*q.v.*) on the part of a reliable person is accepted as a security. In every case the value of the security given should be greater than the amount of the money lent.

A person who takes a security is in the position of a secured creditor (*q.v.*) and if the debtor afterwards becomes bankrupt he may be in such a position that he cannot sustain any loss. But if the bankruptcy occurs very shortly after the giving of the security the transaction may be objected to as a fraudulent preference (*q.v.*). Thus by section 48 of the Bankruptcy Act 1883—

(1) Every conveyance or transfer of property or charge thereon made every payment made every obligation incurred and every judicial proceeding taken or suffered by any person unable to pay his debts as they become due from his own money in favour of any creditor or any person in trust for any creditor with a view of giving such creditor a preference over the other creditors shall if the person making taking paying or suffering the same is adjudged bankrupt on a bankruptcy petition presented within three months after the date of making taking paying or suffering the same be deemed fraudulent and void as against the trustee in the bankruptcy.

(2) This section shall not affect the rights of any person making title in good faith and for valuable consideration through or under a creditor of the bankrupt.

Another ground on which a security may be objected to is where undue influence has been exercised as might occur in the case of a father or mother unduly pressing a son or a daughter who has just come of age and has succeeded to an estate to give a security to a person for a loan.

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Sales Ledger Adjustment a/c

| Dr | | | | | Sales Return Adjustment, 1911 | | | | | Cr | | | | |
|-----|----|----------------------|-----|-----|-------------------------------|-----|----|----------------------|---|----|--|----|-----|-----|
| | | £ | s | d | | | £ | s | d | | | £ | s | d |
| Jan | 1 | To Balance | 7 | 54 | 9 | Jan | 31 | By Cash & Div | | | | 15 | 18 | 0 |
| | | (being total debtors | | | | | | count | | | | | | 0 |
| | | at this date) | | | | | | (from Cash Book) | | | | | | 0 |
| | 31 | By Sales | 0 | 658 | 0 | | | Returns and Allow | | | | 84 | 0 | 0 |
| | | (from Div Book) | | | | | | ances | | | | | | 0 |
| | | Bills Dishonoured | 149 | 0 | 0 | | | (from Sales Returns | | | | | | |
| | | (from Bills Receiv | | | | | | Book) | | | | | | |
| | | able Book) | | | | | | Bad Debts | | | | 87 | 6 | 8 |
| | | Interest | 12 | 0 | 0 | | | (as per Bal Debits | | | | | | |
| | | (from Interest | | | | | | a/c) | | | | | | |
| | | a/c) | | | | | | Bills Receivable | | | | 2 | 100 | 0 |
| | | Transfers (as per | | | | | | (from Bills Receiv | | | | | | 0 |
| | | Transfer Journal) | 157 | 0 | 0 | | | able Book) | | | | | | |
| | | | | | | | | Transfers | | | | 4 | 0 | 0 |
| | | | | | | | | (as per Transfer | | | | | | |
| | | | | | | | | Journal) | | | | | | |
| | | | | | | | | Balance c/l | | | | 10 | 059 | 1 |
| | | | | | | | | (being total Debtors | | | | | | |
| | | | | | | | | at date) | | | | | | |
| | | | £ | 28 | 818 | 8 | 9 | | | | | £ | 9 | 518 |
| | | | | | | | | | | | | | 8 | 9 |
| Feb | 1 | To Balance | 10 | 059 | 2 | 1 | | | | | | | | |

registers 1 share and has not been furnished with the name of a transferee by 3 o'clock on 11th day (or name day, as it is alternatively called) the second day of the settlement is entitled to sell the shares by auction for cash through the official broker the costs and any loss arising through this operation having to be borne by the party at fault.

SFLT/FL WATER—Strictly speaking, this term should only be applied to the natural mineral water obtained from the springs at Nieder Seitzers in Nassau. It generally includes however the artificial water containing the same ingredients of which the chief are bicarbonate of soda, common salt and carbonic acid gas. Seltzer water is of some medicinal value and is a popular table beverage in all parts of the world. A very large export trade is done in this article.

SEMOLINA—A highly nutritious farinaceous food used for making puddings and thickening soups. It consists of grains of hard wheat which remain unground in the process of milling and owes its nutritive properties to the greater proportion of gluten present in hard as compared with soft wheats. Italy is the chief exporting country.

SEN—(See FOREIGN MONEY—JAPAN)

SENEGA ROOT—The dried woody root of a small plant of North America, the *Polygala Senega*. It is used as an antidote for snake-bites and is hence known also as the snake root. In Britain it is employed medicinally as a remedy for bronchitis.

SENN—The well known purgative imported in large quantities from Alexandria, and administered as an infusion a syrup a tincture or with liquorice in the form of a powder. It consists of the dried leaflets of the *Cassia acutifolia* and other species of cassia. In taste it is mucilaginous and somewhat sweet.

SFFIA—The Greek word for cuttle fish used commercially for the valuable brown pigment obtained from the ink bag of this fish. It is much used in the arts both in the preparation of plans drawings etc. and as a water colour. The supplies are imported from the Mediterranean.

SEQUESTRATION—This word is used in various senses. Firstly it denotes the placing of the possession of any property as to which there is a dispute in the hands of a third person until the time that such dispute is settled. Secondly it signifies the holding of the property of another until such time as certain demands and profits are satisfied out of it. And thirdly it is applied to the act of taking possession of the estate of a bankrupt in order to distribute the proceeds of the same amongst his creditors. In the last named sense it is mainly applicable to Scotch law and this is fully discussed in the succeeding article.

SFEQUESTRATION (IN SCOTCH LAW)—The aim of sequestration in Scotch law is to distribute a bankrupt's estate among his creditors according to their preferences and to afford him a discharge of his liabilities in circumstances very similar to those which entitle an English bankrupt to his discharge.

Anyone may have his estate sequestrated *ex g.* a married woman an *incapax* (i.e. a person who cannot act in his or her own right) a peer a member of Parliament a firm a corporation (other than a railway or a joint stock company) and a foreigner subject to the jurisdiction. Forty days residence in Scotland although for the purpose of going through the Scottish court is sufficient to found jurisdiction but the order for sequestration may be recalled within three months if the court is of opinion that the bankruptcy proceedings should go on in England or Ireland.

The application for sequestration may be made either in the Bill Chambers or in the Sheriff Court. It may be made by the debtor himself (not necessarily insolvent) with the concurrence of certain creditors or by a deceased debtor's mandatory at any time or by creditors holding claims of certain minimum amounts. The petition may be against the estate of a deceased debtor who was at his death subject to the jurisdiction. A creditor's petition in the former case must be presented within four months of notour bankruptcy being

the difference between this sum and the market value of gold, viz, £3 17s 10½d, represents the interest lost between the time of the taking in of the gold and its actual coinage. On silver and bronze, however, there is a large profit made, as the coins made of these metals are only tokens and much lower in real value than the amounts designated by them. The profit made is such that there is no excuse for the silver and bronze coinage of the country being in anything but the very best condition.

SEISIN.—This word signifies the actual occupation or possession of a landed estate (See **LIVERY OF SEISIN**).

By the Stamp Act, 1891, the stamp duties are—

SEISIN Instrument of seisin given upon any charter, precept of clare constat, or precept from chancery, or upon any wadset, heritable bond, disposition, apprising, adjudication, or otherwise of any lands or heritable subjects in Scotland

And any Notarial Instrument to be expedited and recorded in any register of sasines

SEIZED OF.—Put in possession of

SEIZURE NOTES.—These are notes which are utilised when smuggled goods which are liable to duty, or goods bearing fraudulent trade marks, are seized by the customs. The notes are filled in by the officer who actually seizes the goods, and they are left along with the goods seized in a government warehouse, where the goods or the packages containing them are marked for identification.

SELF-BALANCING LEDGERS.—These are ledgers which, by the means of a system of readily obtaining certain totals necessary for the purpose, may be balanced by themselves, or, in other words, contain a trial balance in themselves. The term "sectional balancing" also refers to this system, and is the term perhaps more commonly used to indicate the independent balancing of the ledgers.

Amongst the advantages of adopting a system of self-balancing ledgers no doubt the greatest is the fact of being able to localise errors to any one ledger, thus saving a vast amount of time, as the trial balance would not be prepared until each trade ledger had been proved to be correct in itself. Other advantages are—the affording of a good system of internal check, the amount of outstanding balances may be ascertained at any desired time without the trouble and time involved in preparing the detailed schedule of the same (which may be prepared later), and, following this, the more speedy preparation of final accounts.

The ledgers are rendered self-balancing by means of adjustment accounts. Thus, in each trade ledger there is a nominal ledger adjustment account, whilst in the nominal ledger there is an adjustment account for each trade ledger. To these adjustment accounts in the trade ledgers are posted contra entries for each item appearing in the particular ledger, but these items are, of course, not posted singly, but in totals. To obtain these totals the books of first entry are so arranged that they can be easily ascertained, and this is done by having separate books working to certain ledgers, or, when separate books are not used, by collecting the items posted to each ledger by extension into columns specially headed with the respective ledgers.

Thus, the cash book would be ruled somewhat as below.

For the collection of "foreign items" in a ledger, such as transfers from other ledgers, etc., a transfer journal is used.

By means of the totals so entered up, if the original outstanding total of balances in the ledger is taken into account, it is a simple matter also to obtain the final total balances, with which amount the total of the detailed list extracted from the several ledger accounts must agree. It should be noted that in, for instance, a sales ledger, the initial balance of the adjustment account is placed on the credit side, thus completing the trial balance of the book.

In the nominal ledger, however, the balance of the "sales ledger adjustment account" will appear on the debit side, being the total of sundry debtors, and the account be exactly opposite to the one in the trade ledger, i.e., the items posted to the debit side of the adjustment account in the trade ledger would be entered on the credit side in the adjustment account in the nominal ledger, and vice versa.

For example, see next page.

SELLERS OVER.—This is a term sometimes met with in Stock Exchange or other similar transactions which means that there are sellers and no buyers, or that there are more sellers than buyers.

SELLING OUT.—This is precisely the opposite operation to the process of buying in, described under that heading. In the case of buying in, a purchaser who has not had delivery of the stock he has bought within the time limits fixed by the Stock Exchange Committee is entitled to give an order through his broker to the Buying-in and Selling-out Department of the Stock Exchange to buy it on the market, the expenses and any loss resulting therefrom having to be borne by the party who has failed to make delivery. In the case of selling out, the broker of any individual who has sold

Cash Book.

| Dr | | | | | | | | | | Cash Book. | | | | | | | | | | Cr | | | | | | | | | |
|-------|---------------|------|------|------|--------------------|-------------------|-------|----------------|------|------------|------|-------------------|-------------------|--|--|--|--|--|--|----|--|--|--|--|--|--|--|--|--|
| Date | Particulars. | Dis | Cash | Bank | Sales Ledger No 1. | Sales Ledger No 2 | Date | Particulars | Dis | Cash | Bank | Purchase Ledger A | Purchase Ledger B | | | | | | | | | | | | | | | | |
| Jan 1 | To Jones & Co | £ 10 | 0 | 0 | | | Jan 4 | By Smith & Co | £ 2 | 10 | 0 | | | | | | | | | | | | | | | | | | |
| | " " " " Ltd | 1 10 | 0 | 0 | | | " " | " " " " Ltd | 1 10 | 0 | 0 | | | | | | | | | | | | | | | | | | |
| | | | | | | | " " | " " Brown & Co | 1 10 | 0 | 0 | | | | | | | | | | | | | | | | | | |

boundary.) Turkey on the south and Bulgaria and Roumania on the east. Its area of about 18 750 square miles or approximately two-thirds the size of Scotland supports a population of over 2 750 000.

Build. Serbia is a mountainous country four-fifths of the surface being occupied by mountains having the low average height of 1 500 ft. Outliers of the Carpathians the Dinaric Alps and the Balkan and Rhodope Mountains meet in Serbia. The lowlands of the country include the central valley of the Morava and the strips bordering the Danube Save and Drina. Of the rivers the Danube and the Sava are of great importance to navigation and the Drina to a smaller extent.

Climate. Though lying in the same latitude as the central part of peninsular Italy Serbia does not possess a Mediterranean climate but rather a temperate continental climate of cold winters and hot summers. The average annual rainfall is about 27 in. and the average annual temperature 52.5 F.

Productions and Industries. *Agriculture* is one of the mainstays of the Servians and has been so from ancient times yet farming is still earned on by primitive methods. Almost every peasant cultivates his own freehold. Maize is the chief cereal and constitutes the principal food of the people. Wheat is mainly grown on the fertile plains and barley oats flax hemp tobacco and betroot are also raised. Fruits grow well in the mountainous districts. The plum is of special importance Serbia being noted for its prunes and plum marmalade. Other fruits include the apple pear and peach. The grape ripens in the sheltered valleys.

The Pastoral Industry. Serbia possesses advantages for the pastoral industry in its climate and soil. Large numbers of cattle sheep pigs goats and horses are reared. Numerous pigs feed in the beech and oak forests of the west and south west and cattle reared for draught purposes field labour or for export are found all over the country. Dairying though favoured by natural conditions is little developed. Recently attention has been paid to the rearing of silkworms.

Forestry. About 30 per cent of Serbia is forested. Beeches oaks and conifers predominate but nearly all the varieties of trees found in Central Europe flourish. The industry is in a backward state owing to scarcity of labour lack of transport facilities and poor saw mills. Oak staves are exported to Austria and France but Serbia imports far more timber than she exports.

The Mining Industry. The mineral resources are great but little use is made of them owing to lack of capital and the need of transport facilities. Mining is carried on to a slight extent for gold copper lead zinc antimony and silver.

The Manufacturing Industries. Manufactures exist in a primitive form (mainly domestic). Before the country can gain even a minor position in manufacturing attention must be given to the better education of the people. At present the chief manufacturing industries are flour milling brewing and distilling weaving tanning and boot making.

Communications. Roads are poor and railways little developed. The Morava Valley railway is the great trade route. It connects Belgrade Nish and Vranja and has a few branches. Nish is an important junction lines proceeding from it (1) through Soz to Varna and Constantinople and (2) to Salonika. Trade gravitates chiefly towards the west. Water-carriage is mainly by the Danube

to Austria Hungary and Germany and to Roumania Bulgaria and the Black Sea. Belgrade is the chief emporium largely owing to its position on the Danube and its excellent railway connections with Buda Pesth and Vienna and with the Aegean and Black Seas.

Commerce. The chief exports are cereals fruits cattle and meat products. Textiles are the chief imports followed by metals machinery and colonial produce. Most trade is with Austria Hungary Germany the United Kingdom and Turkey.

Trade Centres. Serbia being essentially an agricultural country has few towns. The two largest are Belgrade (81 000) and Nish (22 000). There are six others with populations exceeding 10 000.

Belgrade the capital and chief trade centre stands at the junction of the Danube and the Sava. It is a river port and railway centre.

Nish is an important railway junction and trade centre.

Mails are despatched from Great Britain twice a day to Serbia. Belgrade is 1 175 miles distant from London and the time of transit is 2½ days.

For map see **TURKEY**.

SESAMU—A tropical plant of the genus *Sesamum*. From its seeds a sweet yellowish oil known as gingelly or gingelly oil is obtained which is much used as a substitute for olive oil and in perfumery. It is imported into Europe from Southern Asia.

SESSION COURT OFF—(See **COURT OF SESSION**.)

SET OFF BILL—(See **FOREIGN BILL**.)

SET OFF—This is a species of defence which is sometimes set up in reply to a claim put forward by a plaintiff in an action. Thus any defence of payment or something equivalent to payment may be alleged by a defendant in answer to a money claim of the plaintiff and if this defence is proved the claim of the plaintiff is thereby diminished. For example if a plaintiff claims £500 and the defendant asserts that £300 of this £500 has been paid this defence to the extent of £300 is a set off. Also if there have been mutual dealings between the parties the amount of indebtedness on one side can always be set off against the indebtedness on the other side. The set off must always have reference to the claim and in this respect it differs entirely from a counterclaim (q.v.). A set-off must always be specially pleaded or if there are no pleadings notice of it must be given to the opposite side.

In case of bankruptcy when there have been mutual credits mutual debts or other mutual dealings between the debtor and any creditor proving in the bankruptcy an account is taken of what is due from the one party to the other in respect of such mutual dealings and the sum due from the one party is set-off against the sum due from the other party and the balance of the account is what may be claimed or must be paid on either side respectively. But a person is not entitled to claim the benefit of any set-off against the property of a debtor in any case when he had at the time of giving credit to the debtor notice of an act of bankruptcy (q.v.) committed by the debtor and available against him (Bankruptcy Act 1863 section 38).

SETTLED LAND ACTS—These are a series of Acts dating from 1832 to 1890 which have given special facilities to the tenants for life or other limited holders to deal with settled estates and r

constituted. A creditor's debt may be liquidated or unliquidated, and it may include interest and ascertained expenses. If necessary, a creditor may have to verify his debt on oath, and he must mention any securities which he holds.

On a debtor's petition, or the petition of the successor of a debtor, sequestration is awarded forthwith. In the case of a creditor's petition, if no cause is shown and the debts are not paid, the sequestration must be ordered, the judge having no discretion to refuse it. A judicial factor may be appointed for the *interim* protection of the estate. An award of sequestration is not the subject of review, but it may be recalled (*i.e.*, annulled) within forty days, or if the debtor is dead and his successor is absent, down to the day of the advertisement of the last dividend, for any reason which might have been advanced to prevent its being granted. Again, there may be a recall if nine-tenths in number and value of the creditors apply for it. It may also be ended by a deed of arrangement, agreed to by a majority of the creditors, and four-fifths in value present or represented at a meeting.

The court having power to award sequestration is the Lord Ordinary on the Bills or the sheriff of the county. All the subsequent proceedings take place in the Sheriff Court. Scottish and British courts sitting elsewhere and each other in bankruptcy proceedings. Commissioners, who exercise functions similar to those of the English Committee of Inspection (*q.v.*) may be appointed by the creditors. The mandatory (*i.e.*, proxy) of a creditor may vote in his place. The various stages of the processes in sequestration are published in the *Edinburgh Gazette*.

The effect of sequestration is that the estate, which then, or down to the date of the debtor's discharge, belonged or would have belonged to the debtor, belongs to his creditors for the purposes of the Scottish Bankruptcy Act. The transfer of property, however, has the effect of leaving for the bankrupt all that may survive the winding-up. Everything capable of being legally alienated becomes transferred, except the necessary clothing of the bankrupt and his family. Acts and payments by the bankrupt after sequestration and before discharge are null and void, subject to certain exceptions in favour of *bona fide* purchasers, creditors paying debts, and the holders of certain securities.

A trustee is appointed by the creditors who make claims. A claiming creditor, if he has a security, can only vote in respect of the balance remaining after the security is deducted from the debt. Discount is taken off future debts, and debts subjected to it by usage of trade.

No bankrupt, nor anyone disqualified by statute, can act as the trustee of the bankrupt estate. Again, a person hostile to the bankrupt cannot be a trustee. The trustee must find caution for all his intrusions. The function of the trustee is to manage, realise, and recover the estate, lodge the money in bank, and keep a *sequestrator's* book and regular accounts. The bankrupt must at the first meeting of creditors put in a "state" of affairs and give all necessary assistance to the trustee. Shortly after the Act and warrant, he or his partners must attend for examination on pain of apprehension. His wife, family, clerks, etc., may also be compelled to attend for examination.

The estate is realised by the trustee as soon as possible, subject to the directions of the creditors.

If there is delay, the bankrupt may—but only if he so desires—assist in the management, but he must aid in recovery of assets. There is power in the trustee to make any compromise. If the estate or any part of it is sold, the trustee may not, but any creditor may, purchase. Generally speaking, the sale should be by public *roup* (*i.e.*, auction).

The rights of a bankrupt under a sequestration are that he may apply for an award and for a recall; he may offer a composition; he may obtain an allowance from the estate. His status in family and non-official life is unchanged. Though not entitled to be put on the list of voters, he may vote if his name be there already. He cannot sit or vote in the House of Lords, or be elected as a representative peer. If he is a parliamentary candidate or a Member of Parliament he cannot be elected, nor can he sit or vote, and his seat is vacated if the disqualification lasts for six months. While he may not generally bring actions relating to the estate, he may bring and prosecute any action which is of a purely personal nature, *e.g.*, an action for damages for personal injury.

At the first creditors' meeting, the debtor may offer so much in the £, and this offer may be accepted at a subsequent general meeting of the creditors by a majority in number and nine-tenths in value of the creditors. Subject to the approval of the court, the bankrupt may in that case be discharged and re-invested in his estate under reservation of claim for the composition.

Discharge is conditional on there being no irregularity or fraud, and also, by statute, on 5s in the £ being paid or secured, or on proof that failure to pay so much has arisen from circumstances for which the bankrupt cannot be justly held responsible.

Discharge after payment of dividend may be craved at any time after the second meeting of creditors, if they all concur, and thereafter, on the concurrence of a continually dwindling majority until two years after the award, when the concurrence of the creditors is unnecessary. The approval of the court must be obtained, and the conditions of discharge are as set out above; but, in addition, the relief of discharge may be refused if the bankrupt has concealed any part of his effects, or has wilfully failed to comply with any of the provisions of the principal Act. Collusion is in all cases penal, both to the bankrupt and to the creditor who is in collusion.

There is no reinvestiture of property after discharge, and, if necessary, the sequestration will be revived, in order to procure the distribution of windfalls, even after a long period of time, and even though both bankrupt and trustee have been discharged.

SEQUESTRATOR.—The person to whom property is entrusted under a sequestration.

SERGE.—A useful and durable twilled fabric made of worsted. There are numerous grades usually dyed dark blue or black. Serge is in great demand both for men's suits and for ladies' costumes.

SERVANT.—(See MASTER AND SERVANT.)

SERBIA.—Position, Area, and Population. The kingdom of Serbia, one of the few entirely inland countries of Europe, lies in the extreme north of the Balkan Peninsula, and has as its neighbours Austria-Hungary on the north (the boundary being marked by the Danube and Sava), Bosnia and Turkey on the west (the Drina forming part of the

its mother if the mother is a widow. In illegitimate child up to the age of sixteen has the same settlement as its mother. After the age of sixteen has been attained a settlement can be gained by a person on his or her own account. As in the case of domicil a married woman who is not separated from her husband has the same settlement as her husband.

The question of settlement becomes important when the charge on any particular parish happens to be heavy. It is well known that the conditions under which relief is distributed differ in different parishes and unless there was some restriction placed upon the matter a parish might easily become overburdened with paupers from other districts. There is therefore a power conferred upon poor law guardians to obtain an order from the justices for the purpose of removing paupers to their proper settlement. But this right of removal cannot be exercised if the pauper has been allowed to remain in the parish for a year before an order for removal is applied for. There are numerous exceptions to this general rule. Thus a sick pauper cannot be removed from the parish in which he actually is unless his sickness is permanent. A foreigner may or may not have a settlement. If he becomes chargeable to the parish no order can be made for his removal unless he has acquired a settlement as above stated.

Appeals as to the removal of paupers to their settlements may be made either to quarter sessions or if the guardians prefer it to the Local Government Board.

SETTLEMENTS.—Property is said to be settled when it is so disposed of by some deed or other instrument that a number of persons are entitled to enjoy the rents or the interest arising from the property but are unable to deal with the corpus except in so far as they are allowed to do so by the express terms of the document creating the trust. Thus A desires to benefit a number of persons but he is anxious that the property which he desires to set aside for this purpose shall not be dissipated and that the capital shall go to some person or persons in the future who may eventually enjoy it on their own account. It must be recollected that property cannot be tied up for ever as the law is opposed to a perpetuity (*q.v.*) but it always permits the capital to be kept intact during the life or lives of persons who are actually in existence and for twenty-one years afterwards. Now suppose A wishes to dispose of £20,000 in this manner and desires to benefit B, C and D persons who are in existence. He appoints two or more trustees who are put in possession of the fund and then sets out in the settlement the terms upon which B, C and D are to be provided for out of the interest arising from the investment of the £20,000 either together or in succession always taking care that on the death of the survivor some further provision is made unless it is his intention that the money shall eventually revert to himself or to his representatives. As to the manner in which the money is to be invested see **TRUSTEE INVESTMENTS**.

Property may be settled either by deed or by will. The settlement which are made by deed are generally concerned with the tying up of real property so as to keep great landed estates in a family or with making provision for parties to a marriage and for the issue of the marriage. Thus suppose there is an entailed estate and A is the first tenant in tail. When he has arrived at

the age of twenty one he can release the estate from the entail by means of a disentailing deed (see **ENTAILED ESTATE**) and the land will be freed from its fetter. But in practice it generally happens that there are prior interests to be considered and that the disentailment cannot take place without certain preliminaries being observed and so as a part of the bargain the land upon being disentailed is immediately settled again. A becoming tenant for life such tenancy being made beneficial to him as soon as any prior tenant for life dies and a new estate tail is created a fresh disentailment occurring when ever a tenant in tail becomes *survivor* and therefore capable of making a fresh settlement. If it were not for this method of dealing with estates and spendthrift tenants in fee simple might easily dissipate the family wealth in an incredibly short time. Of course in carrying out these settlements provision is made for all sorts of contingencies and very frequently annuities are carved out for different members of the family. These are however too multitudinous to detail and too complex to be treated of in any work not specially devoted to the subject.

The most common cases of settlements by way of deed are marriage settlements. These have been already treated of under a separate heading and it is unnecessary to add anything further with respect to them seeing how closely they are connected with the practical work of conveyancing. Settlements made by will contain a great variety of provisions for the purpose of giving effect to the peculiar wishes of the testator. They may be and very frequently are as complicated as a deed and this arises from the fact that a testator may be continually changing his mind as to his contemplated benefits and herein may be noticed a great difference between a settlement by deed and a settlement under a will. When once the deed is executed it is irrevocable in its effect except in so far as it contains a re-ocatory clause whereas a will only speaks from the death of the testator and its contents may be altered from time to time so long as the will is in the long run duly executed.

The capacity to execute a settlement is the same as the capacity to contract. Any person of full age and sane can be the settlor. But when it is the case of a marriage settlement an infant may with the approbation of the court make a binding settlement of both real and personal property though the male infant must not be under twenty nor the female infant under seventeen years of age. This is provided for by the Infants Settlement Act 1855.

It will be very obvious that unless there was some restraint placed by the law upon the power of making settlements a debtor might easily pose as a person of the most generous disposition and at the same time defraud his creditors in the most open fashion. It must be recollected that a deed does not require a consideration to support it unless it is a contract made in restraint of trade. Therefore if a deed of settlement is made there is no need of any consideration to support it so far as the parties to the deed are concerned. Thus if A settles £20,000 upon B, C and D in any way whatever and inserts no power of re-ocaton in the deed A has lost all control of the £20,000 until the trusts are carried out in their entirety and if there is no reversion to himself the money has passed away from him for ever. The settlement

certain special conditions, and have tended to free estates from some of the limitations which were formerly imposed upon the holders of the same. The main object of the Acts has been to place the tenant in possession in a position as nearly as possible equal to that of a tenant in fee simple, so far as dealing with the land is concerned, whilst at the same time every care has been taken to see that the proceeds arising out of such dealings are carefully preserved and utilised for the benefit of those persons who are to succeed as beneficiaries of the settled estates in the future. The details of these Acts are of too complicated a character to be discussed except in works specially devoted to the subject.

SETTLEMENT.—The payment of an account or claim, or the ending of a dispute or series of disputes by concession or otherwise.

Another meaning of the word is the limitation of rights in property, real or personal, by which the enjoyment of the same is conferred upon several people in succession, instead of allowing the whole to be at the absolute disposal of the first beneficiary with the chance of its being dissipated. The whole subject is dealt with under the heading of **SETTLEMENTS**.

SETTLEMENT ESTATE DUTY.—By the Finance Act, 1894, where property in respect of which estate duty is leviable is settled by the will of the deceased, or, having been settled by some other disposition since 1894, passes under that disposition on the death of the deceased to some person not competent to dispose of the property, a further estate duty (called settlement estate duty) on the principal value of the settled property is levied at the rate of 1 per cent, except where the only life interest in the property after the death of the deceased is that of a wife or husband of the deceased, but during the continuance of the settlement the settlement estate duty shall not be payable more than once, and in paying it the value of the *ad valorem* stamp on the settlement may be deducted. By the Finance Act, 1910, the rate has been increased to 2 per cent. By settlement is meant any deed, will, or other instrument under which any land or estate, or any personalty, stands for the time being limited to or in trust for any person by way of succession. It will be noted that the duty is leviable once only during the continuance of the settlement, and is only leviable when the settlement is created by the will of the deceased, or, if it was created by another disposition, when the property passes under such disposition to a person who is not competent to dispose of it. In cases where the net value of the property in respect of which estate duty is payable on the death of the deceased, exclusive of property settled otherwise than by his will, does not exceed £1,000, and the fixed or estate duty has been paid, no settlement estate duty is payable in respect of that estate. Where the disposition settling the property took effect before August 2nd, 1894, the duty is not payable. Property settled in perpetuity by Act of Parliament or Royal Grant is exempt from the duty. An estate in dower or by the curtesy and such like estates are to be deemed property settled by the will of the deceased. By the Finance Act, 1896, where settlement estate duty is chargeable in respect of a legacy or other personal property settled by the will of a person dying since July 1st, 1896, it is made payable by the executor, and, if there is no express provision to the contrary in the will, it is payable out of the settled legacy or

property in exoneration of the rest of the estate, and is collected on an account setting forth the particulars. The value of the property on which settlement estate duty is payable is to be calculated by the same method as is applicable to the ascertainment of estate duty. Where estate duty has been once paid on settled property since the date of the settlement, it is not again leviable until the death of a person who, when he died or at some date during the continuance of the settlement, was competent to dispose of the settled property. A contingent settlement is subject to the duty, though the contingency may never arise, for the property is not the less "settled" on that account, and consequently it was provided by the Finance Act, 1898 that where in the case of a death occurring after the commencement of that Act settlement estate duty has been paid in respect of any property contingently settled, and it is thereafter shown that the contingency has not arisen, and cannot arise, the said duty in respect of such property shall be repaid.

An example is given showing how estate duty and settlement estate duty are charged. X under a deed of settlement, has an estate for life in property which is subject to an annuity of £1,000 charged thereon in favour of Y, and subject to X's life interest and Y's annuity, Z is entitled absolutely. The clear yearly income of the property is £3,000. Y predeceases X, and X predeceases Z. At Y's death both estate duty and settlement estate duty are payable on one-third of the capital value of the property. At X's death, estate duty, but not settlement estate duty, will be payable on the remaining two-thirds of the property.

The rate of the duty is uniform, and not graduated.

By the Finance Act, 1910, the Commissioners of Inland Revenue are empowered to accept in satisfaction of estate and settlement estate duty, or succession duty, charged on real or leasehold property, any part of such property. (See **ESTATE DUTY, SUCCESSION DUTY**.)

SETTLEMENT, PAUPER.—This has been defined as "a permanent indestructible right to take the benefit of the poor laws of a particular parish." For the purpose of providing relief for the poor, the country is divided into districts or unions, and each district or union is responsible for its own paupers. And just as a person cannot be without a domicile (*q.v.*) for the purpose of settling all matters connected with his possessions, so no person can be without a settlement, in order that the responsibility for his support in case of indigence may be fixed in the proper quarter. Although, as stated above, a settlement cannot be forfeited, it may be extinguished by the acquisition of a new settlement.

Generally speaking, a settlement is acquired by birth, and this settlement is that of the particular district or union in which the pauper is born. A new settlement, however, is gained in various ways, especially by change of residence. If a person who is *suus humi* (*q.v.*) resides in a new parish continuously for three years, that parish becomes his settlement. A new settlement may also be acquired after a year's residence, if the person acquiring the settlement has rented or occupied a house at a rent of not less than £10, or has paid rates, or has owned an estate in the parish. An apprentice who has resided in a parish may acquire a new settlement after living in it for a period of forty days. A legitimate child under sixteen years of age has the same settlement as its father, or as

its mother if the mother is a widow. An illegitimate child up to the age of sixteen has the same settlement as its mother. After the age of sixteen has been attained a settlement can be gained by a person on his or her own account. As in the case of domicile a married woman who is not separated from her husband has the same settlement as her husband.

The question of settlement becomes important when the charge on any particular parish happens to be heavy. It is well known that the conditions under which relief is distributed differ in different parishes and unless there was some restriction placed upon the matter a parish might easily become overburdened with paupers from other districts. There is therefore a power conferred upon poor law guardians to obtain an order from the justices for the purpose of removing paupers to their proper settlement. But this right of removal cannot be exercised if the pauper has been allowed to remain in the parish for a year before an order for removal is applied for. There are numerous exceptions to the general rule. Thus a sick pauper cannot be removed from the parish in which he actually is unless his sickness is permanent. A foreigner may or may not have a settlement. If he becomes chargeable to the parish no order can be made for his removal unless he has acquired a settlement as above stated.

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the age of twenty-one he can release the estate from the entail by means of a disentailing deed (see **ENTAILLED ESTATE**) and the land will be freed from its fetter. But in practice it generally happens that there are prior interests to be considered and that the disentailing cannot take place without certain preliminaries being observed and so as a part of the bargain the land upon being disentailed is immediately settled upon a becoming tenant for life such tenancy being made beneficial to him as soon as any prior tenant for life dies and a new estate tail is created a fresh disentailing occurring whenever a tenant in tail becomes *sui juris* and therefore capable of making a fresh settlement. If it were not for this method of dealing with estates any spendthrift tenant in fee simple might easily dissipate the family wealth in an incredibly short time. Of course in carrying out these settlements provision is made for all sorts of contingencies and very frequently annuities are carved out for different members of the family. These are however so multitudinous in detail and too complex to be treated of in any work not specially devoted to the subject.

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of such respective powers the said trustees or trustee shall stand possessed of the said trust premises and the income thereof in trust for the said James Smith his executors administrators and assigns

AND IT IS HEREBY AGREED AND DECLARED that the power of appointing new trustees of these presents shall be vested in the said James Smith and Alfred Smith during their joint lives and the survivor of them during his life

IN WITNESS whereof the parties to these presents have hereunto set their hands and seals the day and the year first above written

JAMES SMITH

LS

JOSEPH BROWN

LS

THOMAS JONES

LS

Witness to the
signatures of James
Smith Joseph Brown
and Thomas Jones

JOSEPH SIMPSON
Carlton House
Linford
Whiteshire
Surveyor

COUNTERFOIL

No 959

Dated June 5 1912

James J H TANNER

19 High Street

Banbridge

Shares 75

Nos 1501 to 1575

Certificate sent to

Per

Post

14th June 1912

Register folio 159

No 959

PREFERENCE SHARE CERTIFICATE

No 75
Shares

The South Blankshire Colliery Company, Limited

Incorporated under the Companies (Consolidation) Act 1906

CAPITAL - £400,000

DIVIDED INTO 25,000 4% CUMULATIVE PREFERENCE SHARES OF £1 EACH
15,000 ORDINARY SHARES OF £10 EACH

This is to Certify that JAMES HENRY TANNER of 19 High Street Banbridge, is the registered holder of Seventy five fully paid Preference Shares of one pound each, numbered 1501 to 1575 inclusive subject to the rules and regulations of the Company

GIVEN under the Common Seal of the Company
this fifth day of June 1912



HORACE HUNT,
MAURICE MAXWELL } Directors
BERNARD BROWN Secretary

No transfer of any of the within term of share will be accepted & without the assent of this Certificate

RECEIPT

No 959

J H TANNER

Received the 15th day of June 1912
share certificate, as numbered herein for 75 preference shares

This receipt to be duly filled in and forwarded to the Secretary

Secretary of the Share and Loan Department (See SPECIAL SETTLEMENT)

If certificates of shares are deposited as security without any document of charge, it constitutes an equitable mortgage, and the mortgagee has the right to apply to the court in certain cases for power to sell especially if the loan is not repaid according to the stipulation made at the time of the advance. In some cases a memorandum of deposit is taken at the time when the certificates are deposited, and notice of the deposit is frequently given to the company.

Certificates of shares are very commonly deposited with a banker as security for a loan or an overdraft. Frequently the banker takes also a blank transfer, *i.e.*, a transfer with a place left vacant for the insertion of the transferee's name. If, then, default is made in repayment of the loan or in meeting the overdraft, the banker is entitled to fill up the blank space, and to register the shares either in his own name or in the name of a nominee or nominees. This is not always a satisfactory method to adopt. The better plan appears to be for the banker to take a completed transfer of the shares and to have them registered at once.

When a transfer is taken it is usually accompanied by an agreement qualifying the transfer, and declaring that the transfer has been given merely as a security.

In giving shares as a security, a banker will note whether they are fully paid up, or only partly paid, though certificates do not always show how much is paid up per share. If there is a large liability it would be unwise to register in the bank's name, or the names of its nominees. If the completed transfer is held, without registration, the owner will remain liable for any calls that may be made, and so long as the banker holds the certificate and transfer he has a security which he can complete by registration when required, and if notice has been given to the company it would be difficult for anyone to get registered in front of him. The company, however, may have a lien upon its shares for any debt due from the shareholder to the company (See LIEN). In most cases a certificate must be surrendered before a transfer of the shares can be effected, but this is not an absolute protection to a banker, as it has been held that a foot-note upon a certificate to the effect that no transfer of the shares will be effected without production of the certificate does not constitute a contract and is not binding on the company. (See SHARE CERTIFICATE.)

The Companies (Consolidation) Act, 1908, provides as follows—

"Section 22—(1) The share or other interest of any member in a company shall be personal value, transferable in manner provided by the articles of the company, and shall not be of the nature of real estate.

"(2) Each share in a company having a share capital shall be distinguished by its appropriate number.

"23 A certificate, under the common seal of the company, specifying any shares or stock held by any member shall be *prima facie* evidence of the title of the member to the shares or stock.

Power of Company to Arrange for Different amounts being Paid on Shares

"39 A Company, if so authorised by its articles,

may do any one or more of the following things, namely—

"(1) Make arrangements on the issue of shares for a difference between the shareholders in the amounts and times of payment of calls on their shares.

"(2) Accept from any member who assents thereto the whole or a part of the amount remaining unpaid on any shares held by him, although no part of that amount has been called up.

"(3) Pay dividend in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.

Power to Return Accumulated Profits in Reduction of Paid-up Share Capital.

"40—(1) When a company has accumulated a sum of undivided profits, which with the sanction of the shareholders may be distributed among the shareholders in the form of a dividend or bonus, it may, by special resolution, return the same, or any part thereof, to the shareholders in reduction of the paid-up capital of the company, the unpaid capital being thereby increased by a similar amount.

Power of Company Limited by Shares to Alter its Share Capital

"41—(1) A company limited by shares, if so authorised by its articles, may alter the conditions of its memorandum as follows (that is to say) it may—

"(a) increase its share capital by the issue of new shares of such amount as it thinks expedient;

"(b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

"(c) convert all or any of its paid-up shares into stock, and reconvert that stock into paid-up shares of any denomination;

"(d) subdivide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum, so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

"(e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

"(2) The powers conferred by this Section with respect to subdivision of shares must be exercised by special resolution.

Re-Organisation of Share Capital

"45—(1) A company limited by shares may, by special resolution, confirmed by an order of the Court, modify the conditions contained in its memorandum so as to re-organise its share capital, whether by the consolidation of shares of different classes or by the division of its shares into shares of different classes.

"Provided that no preference or special privilege attached to or belonging to any class of shares shall be interfered with except by a resolution passed by a majority in number of shareholders of that class holding three-fourths of the share capital of that class and confirmed at a meeting of shareholders of that class in the same manner as a special resolution of the company is required to be confirmed.

COUNTERFOIL

No 959

Dated June 5 1912

Wm J H TANNER

19 High Street

Banbridge

Shares 75

Nos 1501 to 1575

Certificate sent to

Per

Post

14 June 1912

Enter folio 159

RECEIPT

No 959

PREFERENCE SHARE CERTIFICATE

No of 75
Shares

The South Blankshire Colliery Company, Limited

Incorporated under the Companies (Guernsey) Act 1908

CAPITAL - £400,000

DIVIDED INTO 25 000 5Y CUMULATIVE PREFERENCE SHARES OF £1 EACH
15 000 ORDINARY SHARES OF £10 EACH

This is to Certify that JAMES HENRY TANNER of 19 High Street Banbridge is the registered holder of Seventy five fully paid Preference Shares of one pound each numbered 1501 to 1575 inclusive, subject to the rules and regulations of the Company

GIVEN under the Common Seal of the Company
this fifth day of June 1912



HORACE HUNT
MAURICE MAXWELL, } Directors
BERNARD BROWN Secretary

No 1 not to be accepted without the reverse of this Certificate

Received the 15th day of June, 1912,
as numbered herein for 75 preference shares
J H TANNER,
No 959

This receipt to be detached and forwarded to the Secretary

[illegible]

and every resolution so passed shall bind all shareholders of the class.

(2) Where an order is made under this section an office copy thereof shall be filed with the registrar of companies within seven days after the making of the order or within such further time as the court may allow and the resolution shall not take effect until such a copy has been so filed.

By means of a special resolution (qv) a limited company determines that any part of its share capital which has not been called up shall not be capable of being called up except for the purposes of the company's being wound up.

In addition to the ordinary fees payable to the registrar of joint stock companies by a company having a share capital there is a duty of 5s also payable on every £100 of the nominal share capital.

SHARE CERTIFICATES.—Every person holding shares in a company under the limited liability Acts is entitled to a certificate under the seal of the company and signed by two directors and the secretary or as required by the company's articles. The Companies (Consolidation) Act 1908 (Sec 92) contains a very important provision bearing on this subject—

Every company shall within two months after the allotment of any of its shares debentures or debenture stock and within two months after the registration of the transfer of any such shares debentures or debenture stock complete and have ready for delivery the certificates of all shares the debentures and the certificates of all debenture stock allotted or transferred unless the conditions of issue of the shares debentures or debenture stock otherwise provide.

This stipulation first appeared in the Companies Act of 1907 (now repealed and reproduced in the Act of 1908). Up to that time companies were left mainly to their own devices in this matter. It will be observed however that precautions are necessary to be taken when issuing a prospectus or other document constituting the particulars governing any particular offer for subscription to include some announcement as allowed by the above-named Section to the effect that certificates will be ready at a specified time after completion of allotment. If this is done then the provisions of the Section as regards preparing certificates after allotment will be entirely governed by the undertaking made by the term of issue. As regards the preparation of certificates consequent upon the transfer of shares to occupy two months as allowed by the statute would probably cause inconvenience to brokers and others concerned in such transactions and it is unlikely that any company with an official quotation would allow the business in regard to share transfers and the consequent issue of new certificates to lapse to such an extent. The requirements of the Stock Exchange Committee lay down special stipulations in regard to this matter when granting facilities for official quotations. The committee will not admit securities to their official list until share certificates are ready for delivery.

In the majority of cases and in more recent propositions it has been found that some steps such as outlined above have been taken to announce preparation of certificates immediately upon the payment of a final call but of course this is not possible where a portion of the capital is to be

called up leaving further calls to be levied at an indefinite date. In such an instance provision is made upon the back of the certificates which provides for information relative to the payment of further calls as demanded and when paid.

The articles of association usually provide for the issue of certificates to members similar to that found under Clause 6 of Table A (qv) herein every shareholder who has been entered on the register of members is entitled to a certificate issued under the common seal of the company the certificate to specify the number of the share or shares held and the extent to which the shares have been paid up the distinctive numbers of the shares are also given and the certificate itself is represented by a serial number for the purpose of identity and as a means of checking against fraud in the case of joint holdings one certificate is issued and the person whose name first appears as a member of that joint holding is the one to whom delivery should be made unless by specific request in writing any other member of the joint holding has been appointed to act in respect of the shares for himself and the joint holders. Delivery to such a person would be deemed sufficient delivery to all.

If certificates are lost destroyed or in any way damaged a fresh one may be obtained on the payment of a fee of one shilling but most companies require a letter of indemnity (qv) to be given by those requiring a duplicate. A certificate is issued in the first instance free of charge.

When certificates are ready after the process of allotment and completion of calls the usual practice is to send a notice to the shareholders to the effect that certificates can be obtained upon surrender of their receipts for allotment and for such calls as have been made. The notice usually contains an intimation to the effect that certificates may be obtained on the above conditions either by personal application or by an authorised agent where the shareholder delegates some other person to effect the exchange of documents for him. Appended to the notice are two forms the first of which represents the letter from the shareholder to the company intimating the despatch of the necessary receipts for instalments and requesting that the certificate be sent at the shareholder's risk whilst the second notice constitutes a request from the shareholder to the company to hand the share certificates to a person named in the form who is empowered to hand over the instalment receipts the bearer of the letter being empowered to sign the company's receipt required upon the handing over of the share certificate.

It is important that company officials should strictly observe the generally accepted rule that receipts for share certificates should be signed only by the shareholders or by such persons as they may appoint as above described.

Form of Certificate. The form of share certificate whether issued for numbered shares capital stock or debenture stock is usually drawn up similar to the form shown as an inset. It is most important however that distinctive columns should be observed for the various classes of share capital in order that the preference or ordinary share certificate may be readily identified. This of course also applies to any certificates issued for debenture stock. It will be observed that the whole of the material information given in the body of the certificate is also required to be

each denomination having prior claims over others, all the shares being of a certain specified nominal value, and represented by a definite number, hence the appellation applied in several parts of the Companies (Consolidation) Act, 1908 "A company having capital limited by shares"

Property in Shares. All shares are regarded as personal estate, though from the fact that a company may be empowered to possess land many have erroneously regarded their holdings as real estate, from the knowledge that the company itself possesses landed property. Shares are disposed of purely and simply as personal possessions, and if held in the form of a share warrant to bearer are passed from one owner to another by mere act of delivery (See **SHARE WARRANT TO BEARER**). By Section 23 of the Companies (Consolidation) Act, 1908, every person possessing shares in the company is entitled to a certificate which shall specify the nature of the shares or stock held by the shareholder, and a production of such certificate shall be *prima facie* evidence of title, and as each share is required to be distinguished by its distinctive number, the certificate must contain the information as to the number or numbers of the shares it represents, except in cases where a company has converted its capital from shares into stock, when the share certificate will merely specify the nominal amount of the stock it represents. The certificate is further to contain information as to the amount paid up on the shares for which it is issued, and must, furthermore, be issued under the common seal of the company, signed and countersigned in the manner required by the articles of the company it represents.

The existence of ownership in shares can be investigated by the right of the public to inspect a company's register of members upon payment of a fee not exceeding one shilling (See Section 30, Companies (Consolidation) Act, 1908, and under **REGISTER OF MEMBERS**).

Share Denominations. The Memorandum of Association will contain a statement as to the share capital of the company in value and the number of shares into which that capital is to be divided, and will further specify the different classes into which capital is apportioned. In the majority of large liability concerns there are at least three distinct grades of shares, each carrying priority in rights, both as to dividend and distribution of assets in the winding-up, over the others. They are usually known as follows—

1 Preference shares or Cumulative Preference shares

2 Ordinary shares with or without a certain stated amount of dividend, and after satisfying the claims of Preference shareholders

3 Deferred Ordinary or Founders' shares, which participate in profits after obligations to the two preceding classes of shareholders have been satisfied.

Preference Shares. These may be issued subject either to cumulative or non-cumulative conditions, but, in any case, the dividend so fixed must be paid on these preferred shares before any profits are available for those shareholders whose rights rank next in priority. A cumulative preference share is not only entitled to its fixed rate of dividend in any given year, but also to such dividends as may have fallen into arrear in any former year or years to the extent to which these arrears have accumulated, but if preferred shares do not carry

any such cumulative rights, they are then only affected by the available profits arising from the year under review: but in every case dividend on the year under review is paid before any arrears which may be due on that preferred capital. In all cases, regard must be had to possible requirements existing in the company's regulations as to setting aside out of profits any stipulated sum as a reserve. If this is so, the reserve to the required extent must be provided before any dividend can be paid whatsoever.

In winding-up, the rights of preferred shares, both as to capital liability and any dividend which may be due under the above-mentioned cumulative principles, must be paid for before any claim can be made by shareholders of other denominations.

Ordinary Shares. These stand next in order to any preference or cumulative preference shares, which may exist, and here, again, the articles may have made provision for a certain rate of interest, with added advantages, over those possessed of deferred ordinary shares, if profits reach a certain amount. But in winding-up the question of dividend in arrear will not be considered, unless any dividend has been formerly declared by the Board, but had not been paid.

Deferred Ordinary or Founders' Shares. This class of share ranks last in the scale of rights for sharing in a distribution of profits and realisations from assets in winding-up. As a general rule, such shares are usually held by the vendors and the directors or others connected with the management of the company's affairs.

Purchase of Shares. Any person is entitled upon the issue of a prospectus inviting the public to subscribe to take up such shares as he or she may think fit, minors, married women, or aliens are not debarred, but as regards a minor, it is important to remember that (as was shown in *Hamilton v Vaughan Sherrin Company*, 1894, 3 Ch 589) there is nothing to prevent his repudiation of any liability attached to the shares upon attaining his majority.

Again, a company may not take up its own shares, but it can take up the shares of another company. Underwriters may, under certain prescribed conditions, be regarded as members when they have decided to "place" shares on stipulated terms, but it is requisite that the underwriting agreement should contain conditions to cover this in the event of their contract not materialising as regards the "placing" of the shares, with the result that they are called upon to assume the liability themselves.

The taking up of a share or shares is governed by the simple law of contract. It is possible to agree to take shares verbally, as was shown in *In re Bloam*, 1864, 33 Beav 529, nevertheless, care should be observed by both parties in seeing that the application for shares is carried out under properly prescribed conditions covered by the issue of a prospectus, accompanied with the usual form of application (*q.v.*). The contract to take the shares is complete when a letter of allotment has actually been posted, and thereafter cannot be revoked. It is, however, possible to void an allotment even by a mere verbal message delivered to a clerk at the company's registered office, merely intimating that the application for shares is to be withdrawn, always providing that the allotment letter had not at the time been placed in the post. This is based upon the theory that the contract is

not complete until actual acceptance has been notified by the directors the act of notification in this case is the actual despatching of the letter of allotment representing the application which had been lodged in the usual course

Shares may be purchased in the open market or by private treaty upon fulfilling the stipulations required by the company as to completion—stamping and registering the deed of transfer (See TRANSFER OF SHARES)

Rights and Liabilities. The privileges duties and obligations attached to the ownership in shares will in the main be covered by the articles of association of the company concerned. The memorandum of association will contain the all important provision that the liability of the members is limited. The interpretation of this amounts to the fact that if and when all calls or other instalments due upon the shares have been met the holder of the shares is no longer liable in any way.

On the other hand assuming a £1 share to have only been subjected to demands by the directors in the form of application allotment and calls amounting in all to 15s leaving 5s per share uncalled then the shareholder is liable to be called upon to pay that portion uncalled as and when the company or the directors as the case may be may decide subject to any reservations provided for by Section 53 of the Companies Act wherein it may have been decided by special resolution that any existing uncalled capital shall not be called up except and for the purposes of meeting liabilities in winding up but in any case the shareholder does not escape liability for uncalled capital as he would in any case be called upon to contribute to the extent of the unpaid portion of his shares if so required by the liquidator in winding up (See RESERVE LIABILITY)

Liability attaches to a shareholder who transfers his shares to another for any portion of uncalled capital for the space of one year after the date of such transfer.

Rights as to notices of meetings voting etc. will be governed by the company's regulations.

Lien. Practically all companies limited by shares are given express powers in their articles of association to exercise the right of lien on every share which is not fully paid for in moneys payable thereon such moneys having been duly called up they further exercise the right of lien over the shares of any person who may at the time owe moneys to the company or who is otherwise bound by some obligation to the company. The directors have power however to declare exemption from the provisions covered by a clause bearing on liens. Where a lien exists on a share it extends also to any dividend payable thereon.

SHARE WARRANT TO BEARER.—This is a form of security which enables the holder to transfer it for a consideration by mere act of delivery. The possession of such a document is deemed by law to possess an indisputable title unless of course it can be shown that he has obtained possession of it by fraudulent means.

Practically all companies are empowered by their special regulations to issue share warrants to bearer in exchange for share certificates which may be surrendered by any members desiring to have their security in the company represented in bearer form. Before the directors consent they are empowered to request the member demanding an exchange of certificate for a bearer warrant to

establish his identity as the holder of the shares named in the share certificate.

The general statutory provisions governing the issue and character of share warrants to bearer are found in Section 37 of the Companies (Consolidation) Act 1908 and are as follows—

(1) A company limited by shares if so authorised by its articles may with respect to any fully paid up shares or to stock issue under its common seal a warrant stating that the bearer of the warrant is entitled to the shares or stock therein specified and may provide by coupons or otherwise for the payment of the future dividends on the shares or stock included in the warrant in this Act termed a share warrant.

(2) A share warrant shall entitle the bearer thereof to the shares or stock therein specified and the shares or stock may be transferred by delivery of the warrant.

(3) The bearer of a share warrant shall subject to the articles of the company be entitled on surrendering it for cancellation to have his name entered as a member in the register of members and the company shall be responsible for any loss incurred by any person by reason of the company entering in its register the name of a bearer of a share warrant in respect of the shares or stock therein specified without the warrant being surrendered and cancelled.

(4) The bearer of a share warrant may if the articles of the company so provide be deemed to be a member of the company within the meaning of this Act either to the full extent or for any purposes defined in the articles except that he shall not be qualified in respect of the shares or stock specified in the warrant for being a director or manager of the company in cases where such a qualification is required by the articles.

(5) On the issue of a share warrant the company shall strike out of its register of members the name of the member then entered therein as holding the shares or stock specified in the warrant as if he had ceased to be a member and shall enter in the register the following particulars namely—

(i) The fact of the issue of the warrant.

(ii) A statement of the shares or stock included in the warrant distinguishing each share by its number and

(iii) The date of the issue of the warrant.

(6) Until the warrant is surrendered the above particulars shall be deemed to be the particulars required by this Act to be entered in the register of members and in the surrender the date of the surrender must be entered as if it were the date at which a person ceased to be a member.

The provisions contained in this Section can only be given effect to if powers are also contained in the articles of association of the company. Although the requirements of different articles of association vary to some extent, they will be found to conform to the provisions required in the statute itself. Generally a company is empowered to issue share warrants and the directors may exercise their discretion with regard to any share or shares so long as those shares are fully paid when application in writing usually upon a prescribed form, has been signed and delivered by the person who establishes his right to the shares represented.

by the certificate, and, as pointed out above, the directors may require him to authenticate his title to the shares by such evidence as they may deem expedient. If satisfactory and the amount of the stamp duty on the share warrant has been paid, the duty amounting to 30s per cent on the nominal share value, the directors may forthwith issue under the seal of the company a share warrant, stating that the bearer is entitled to the shares specified upon it, but the distinctive number of the shares must, in all cases, be given. It should be noted here that a share warrant for stock is practically unknown, as the Stock Exchange Committee do not countenance such a form of security. This is obvious from the fact that whereas shares, being numbered, have an indisputable identity, stock, on the other hand, is merely represented by a statement in nominal value. A share warrant may contain coupons, attached to it in proper order, for the payment of dividend or interest at such times as may have been decided upon.

Rights of Holder. The holder of a share warrant possesses an indisputable title to the shares represented by that warrant, and the property in the shares is capable of being transferred from the bearer to another by the mere act of delivery. The provisions regulating the transfer and transmission of shares of the company do not apply to share warrants. The holder is further entitled upon surrendering his warrant to apply to the company for a cancellation of it, and to have his name entered upon the register of members, receiving an ordinary share certificate in the usual way. The directors may call upon him to pay such sum as they may deem advisable. If the holder desires to sign a requisition for calling a meeting of the shareholders, he must deposit his warrant at the registered office of the company, and so long as the warrant remains deposited he may exercise the ordinary rights of the members in attending and voting at any meeting held after two clear days from the time when his warrant was deposited. It is not possible, however, that more than one person shall be represented as the holder of any given warrant. The company is empowered, after giving two clear days' notice in writing, to return the warrant to the depositor. This is usually done by personal act of delivery, the acting official obtaining a written acknowledgment as to its surrender to the holder. The holder of the warrant may not exercise any of the privileges as to attending meetings, voting or participating in a poll, so long as the share warrant has not been deposited at the company's registered office, but he exercises his right at all times to such other privileges as the property in the warrant confers, to the same extent as though he were a shareholder on the register of members, according to the class of share held.

Procedure as to Companies' Books. It is important that share warrants should be forwarded to the Inland Revenue Authorities to have the stamp duty impressed before the warrants have been sealed by the company or signed, but in other respects they should be complete, in order to provide sufficient information to the authorities in assessing the requisite amount of duty to be paid on each.

If the practice of issuing warrants to bearer is likely to be extensively indulged in, a special share warrant register should be provided, but if the number of warrants are not likely to be large,

then a certain section of the register of members may be allotted to an account, to be entitled Share Warrants to Bearer Account. Entries into this account can be made by means of postings from entries in the ordinary register of transfers, the transferor figuring as the holder of the surrendered certificates, whilst the transferee will be designated Share Warrants to Bearer Account. Similarly, when warrants have been surrendered to be exchanged for re-conversion into share certificates, the transferor is Share Warrants to Bearer Account, the person lodging the warrant is the transferee, who thus becomes entitled to a share certificate on the terms provided for under the company's regulations. These transactions are carried out by means of special forms, every case being treated in a similar way to the registration of transfer deeds (*qv*).

Annual Returns. In making the Annual Return, or Form "E," certain information is to be given as required by Section 26 (2) of the Companies (Consolidation) Act, 1908. This information includes a statement of the full amount of shares or stock represented by warrants, which are outstanding at the date when the return is made, the amount represented by such share warrants as have been issued and surrendered since the date of the last return, the number of shares or amount of stock represented by each share warrant issued.

The following is a specimen of a share warrant to bearer—

A B C Company Limited
Share Capital
£100,000 in 10,000 shares of £10 each

Share Warrant to Bearer
for ten shares, of £10 each

This is to certify that the bearer of this warrant is the proprietor of ten fully paid-up shares Nos 101 to 110 of Ten pounds sterling each in the A B C Company, Limited, subject to the Articles of Association of the Company

Given under the Common Seal of the Company in London this 29th day of August, 1912

E F. Secretary *G H Chairman*

A sheet of coupons for the payment of the interest is attached to the warrant

By the Stamp Act, 1891—

SHARE WARRANT and STOCK CERTIFICATE to bearer. A duty of an amount equal to three times the amount of the *ad valorem* stamp duty which would be chargeable on a deed transferring the share or shares or stock specified in the warrant or certificate if the consideration for the transfer were the nominal value of such share or shares or stock (that is, 30s per cent on the nominal value of the shares).

The penalty for issuing unstamped share warrants or stock certificates to bearer is £50.

Where the holder of a certificate to bearer is entered on the register as the owner of the share or stock the certificate must be cancelled so as to be incapable of being re-issued (Section 109, Stamp Act, 1891).

By Section 5 of the Finance Act, 1899, the stamp duty shall extend to any instrument to bearer issued by or on behalf of any company or body of persons in the United Kingdom and having a like effect as a share warrant or stock certificate to bearer.

SHAWLS—Coverings for the shoulders and back made chiefly of wool. The shawls of Kashmir made from the soft inner wool of the Tibet goat have been held in high esteem for centuries. The material is the finest known and nearly 400 can be paid for a really first-class article which may require the work of three men for a year. Great skill is necessary for the weaving and embroidering and the dyes used are native colours. Shawls of inferior quality are made in other parts of Northern India and imitation Kashmir shawls of imported Tibet wool are manufactured in Vienna and in Lyons which also makes grenadines and chevilles. Norwich is famous for its silk and crape shawls made in imitation of Chinese work and Paisley produces an article with a characteristic pattern. Common shawls are made in quantities in most of the English and Scotch districts engaged in woollen manufacture. The centre of the shawl trade in the United States is Massachusetts.

SHIL RUTLER—Another name for galam butter (qv) but sometimes applied also to the oil obtained from the seeds of a West African tree.

SHIFFER—There are several species of sheep classified according to the length of their wool. The flocks of the British Isles are decreasing in number owing to the rapid consumption and living sheep as well as fresh mutton are imported from the Continent. Frozen mutton comes from Australia and New Zealand and there is a large demand for Canterbury Lamb. The merino sheep supplies all the fine wool for clothing which is imported from Spain and Australia. South Africa and Australia send the sheep skins used in the manufacture of leather.

SHIFFT CLASS—(See GLASS)

SHILLAC—(See LAC)

SHILAG—(See FOREIGN WEIGHTS AND MEASURES—CHINA)

SHERIFF—In England the post of the Sheriff the old shire reeve is one of the most ancient offices known to the law and is of undoubted Teutonic origin. The sheriff was the principal officer of the king in the county and his duties and powers extended to military judicial financial and ministerial affairs. Originally elective the power of appointment became vested in the Crown in the early part of the fourteenth century and since 1340 a new sheriff has been nominated each year. Various statutes relating to the office have been passed at different times and the whole were consolidated by the Sheriffs Act 1837. At the present time a court is annually constituted in the King's Bench Division of the High Court of Justice on the 12th November—the morrow of St Martin's Day—consisting of the Chancellor of the Exchequer and a number of King's Bench judges and three landowners of the county are selected to serve for the ensuing year. The final choice of the one of the three who has to act as sheriff is made by the King in Council and is known as picking for the sheriff. The appointment is finally made by a warrant signed by the Clerk of the Council.

As above stated the sheriff had important executive duties in the earliest times and to-day he has still plenty of work committed to his care. He attends the judges when they are on circuit (qv) and he acts as returning officer for the parliamentary divisions of the county. In so matters he generally attends to personally but the other duties connected with the office are most frequently performed by his subordinates viz the

under sheriff or the deputy sheriff. They include such matters as the summoning of juries (see JURY) the execution of civil process the hearing of compensation cases (see SHERIFF'S COURT) and the attendance at the execution of criminals. The deputy sheriff or the under sheriff must be appointed by the sheriff within one month of his own appointment.

In those cities or towns which are counties of themselves the council appoints the sheriff. This is done immediately after the election of the mayor on the 9th November of each year.

The Sheriffs of the City of London occupy a peculiar position which requires no description here.

In Scotland the sheriff also occupied an important position from the twelfth century, the country being divided into sheriffdoms, over each of which a sheriff exercised judicial and ministerial power. The office gradually became hereditary in certain great families and the duties were performed by deputy. This hereditary principle was abolished in 1748 and at the present day the old judicial functions of the sheriff are performed by a sheriff principal for each county who acts in a capacity corresponding to that of an English county court judge and a chairman of Quarter Sessions. These sheriff principals are appointed by the Crown and must be advocates of at least three years standing.

There are no sheriffs in Ireland.

SHERIFF'S COURT—The Sheriff's Court is the court which exercises what remains of the functions of the old common law County Court. The sheriff was not the judge of it the suitors or freeholders being the judges, but it was summoned by him as the chief officer of the Crown in the county and as in a special sense his court. Before the old County Court was superseded at a very early date in our history by the Courts of Assize held by the King's judges it was the chief local court of civil jurisdiction and tried actions relating to land and for the recovery of money up to a limited amount. There were other local courts such as the Court Baron and Hundred Courts but they all became antiquated and expensive and dilatory and from the time of James I when the first Court of Requests was created for the City of London similar local courts were set up in the chief centres of population. A hundred of these courts had been established by 1841 and all these various classes of courts went on side by side acting very imperfectly as courts for minor claims. In 1846 the present County Courts were established and although the sheriff has nothing to do with them and they are divided into districts defined by reference to unions and parishes they received the name of County Courts. The old Sheriff or County Court was not abolished and the sheriff has still to assemble it at irregular intervals for certain purposes. It has now ceased however to have any practical importance except for sitting on Writs of Inquiry and as a compensation court for the assessment of compensation for property taken or injuriously affected by compulsory acquisition under Acts of Parliament. There still remains, nominally its jurisdiction in outlawry that is to say the process by which a criminal is put outside the law a protection when he has wilfully avoided the execution of the ordinary process of the King's Court and escaped apprehension. This process however is extremely rare and practically obsolete. In civil cases it has now been abolished and the

whole subject is so technical and unimportant, that nothing more need be said about it

Until 1888 one of the modes of choosing coroners was election by the county freeholders, and the Sheriff's Court was summoned whenever a writ for electing coroners was directed to the sheriff. In that year this mode of choosing coroners was abolished by the Local Government Act (51 and 52 Vic c 41, s 5), and the writ is now directed to the county council, who also itself appoints the coroner.

By the Sheriffs' Act, 1887 (50 and 51 Vic c 55, Sec 18), a sheriff is not bound to hold a county court except where the holding of such court is required for the purposes of an election or of the due execution of some writ or for any other specific purpose. In such case he must hold a court at the time fixed by law, or by the writ, or if no time is fixed, within a reasonable time, and if there is need for more than one court for such purpose, they must be held at intervals not greater than a month.

From what has been said, it will be seen that the only occasions for holding the court are on Writs of Inquiry and Compensation Cases.

1 **Writs of Inquiry.** A writ of inquiry directed to the sheriff may be issued by the plaintiff in several cases—

(a) In certain classes of action where plaintiff has already obtained judgment, but there may be future breaches for which damages will be due and will have to be assessed. In 1833 the older procedure was replaced by a writ of inquiry directed to the sheriff.

(b) In actions for pecuniary damages, or for the detention of goods, with or without a claim for pecuniary damages, where the defendant has made default in appearance, and the damages due to the plaintiff have to be assessed.

But in actions where the damages are substantially a matter of calculation, it is not necessary to issue a writ of inquiry and the court or a judge may direct the amount to be ascertained by an officer of the court or an Official Referee (*qv*).

On receiving the writ, the sheriff summons a jury from persons with the usual qualifications of ordinary jurymen, but there may be more than twelve. They are paid 4d each in London and 1s outside. For special jurymen, an order of the High Court is necessary, and by custom they are paid one guinea each.

The inquiry is usually held by the under-sheriff, or, as he is called in London, the Secondary. The proceedings on the trial are, in general, the same as before a jury in the High Court.

Solicitors have the right of appearing as advocates for their clients.

On the close of the inquiry the result is reported by the sheriff to the High Court, and subsequent proceedings take place there.

2 **The Sheriff's Court as a Compensation Court.** Where public companies have the power of compulsorily acquiring lands, various Acts of Parliament, such as the Lands Clauses Consolidation Act, the Companies Clauses Consolidation Act, and the Railway Clauses Consolidation Act, all passed in 1845, make provision for the assessment of compensation to the owners or persons interested in them. Where private agreement fails, the person claiming compensation above £50 may have the amount settled by a jury. He gives notice of his claim to the promoters of the undertaking, and

unless they are willing to pay the amount required, they must, within twenty-one days after receipt of the notice, issue then warrant to the sheriff to summon a jury. If they do not do so, they are liable to pay the compensation claimed; and it may be recovered by action. The principles on which the sheriff is to proceed are laid down in the various Acts of Parliament governing the compulsory acquisition of land. The high bailiff of the City and liberty of Westminster is substituted for the sheriff where the lands to be taken are within the City and liberty of Westminster. Directions as to the summoning of the jury are given in the Land Clauses Consolidation Act, 1845. If the sheriff is interested in the property, the warrant for summoning the jury goes to a coroner of the county where the lands are situated.

By Section 43 it is enacted that the sheriff shall preside on the inquiry, but the word "sheriff" includes under-sheriff or other legally competent deputy. If the sheriff make default in doing any of the acts it is his duty to do, he is liable to a penalty of £50 for each offence.

A similar inquiry is held by the sheriff where the interests or rights of persons are affected by schemes under the Commons Act of 1899, and compensation is to be allowed. Further details belong to the general subject of COMPENSATION, but it may also be mentioned that the sheriff may be directed to hold an inquiry concerning the Crown's right to the possession of lands or chattels, and where the lands and goods of a Crown debtor are seized under a writ of extent to satisfy the debts of record due to the Crown, *e.g.*, from collectors of taxes. In both cases juries are summoned.

SHERIFF'S COURTS (SCOTLAND).—These are the principal local courts of civil and criminal jurisdiction in Scotland. The civil jurisdiction corresponds in a great measure to that of the county courts in England, though for the sake of convenience it is divided into three parts—the ordinary court, the small debt court, and the debts recovery court. The procedure cannot be dealt with here, as it belongs essentially to practice. The criminal jurisdiction is confined to cases in which the punishment which can be inflicted is fine or imprisonment. There is no power to sentence a person to penal servitude in the sheriff's court.

The civil jurisdiction and procedure are regulated by the Sheriff's Court (Scotland) Act, 1907, and the criminal by the Summary Jurisdiction (Scotland) Act, 1908.

SHERIFFS AND THE LAW OF BANKRUPTCY.

—Sales of goods by the sheriff to satisfy debts require to be specially dealt with in relation to the law of bankruptcy. Thus it is an act of bankruptcy to allow goods or the proceeds of the sale of goods taken under execution to remain in the hands of the sheriff for twenty-one days. The Bankruptcy Act also contains provisions which are intended to settle the question whether goods held by the sheriff belong to the execution creditor or the trustee.

Where, under an execution in respect of a judgment for a sum of over £20, the goods of a debtor are sold or money is paid in order to avoid a sale, the sheriff must deduct his costs and retain the balance for fourteen days. If within that time, notice of a bankruptcy petition is served upon him, and a receiving order is made on that or any other petition of which the sheriff has notice, the sheriff pays the balance to the official receiver. It follows

in the ship above particularly described and in her boats guns ammunitions small arms and appurtenances

Lastly [I or we] for [myself " or ourselves] and [my or our] heirs covenant with the said [and [his or "their "] assigns that [I or we] ha power to mortgage in manner aforesaid the above mentioned thares and that the same are free from incumbrances [if any prior incumbrance add care as appears by the registry of the said ship]

In witness whereof ha hereto subscribed name and affixed seal this day of one thousand nine hundred and

Executed by the above named }
in the presence of }

The prompt registration of a mortgage deed at the port of registry of the ship is essential to the security of the mortgage as a mortgage takes its priority from the date of registration not from the date of the instrument.

A transfer of mortgage to be indorsed on the original mortgage is as follows—

[I or we] the within mentioned in consideration of this day paid to [me or us] by hereby transfer to [him or them] the benefit of the within written security In witness whereof [etc as above]

When a mortgage is paid off the following memorandum of its discharge may be indorsed on the mortgage—

Received the sum of in discharge of the within written security Dated at this day of 19
Witness of

The Commissioners of Customs may with the consent of the Board of Trade make such alterations in the prescribed forms as they may deem requisite (Section 65) The forms can be obtained from the registrar at any port of registry

No notice of any trust express implied or constructive shall be entered in the register book, (Section 56)

Any register book may be inspected on payment of a fee not exceeding one shilling (Section 64)

Any instruments used with regard to the registry ownership and mortgage of a British ship are exempt from stamp duty

SHIPOWNERS—The persons who are the owners of ships

SHIPOWNERS' LIABILITIES—As common carriers of goods for hire they are at common law in the nature of insurers against all loss or injury occasioned to the goods delivered to them on freight by any other cause than the act of God the King's enemies or some defect in the goods themselves but what and who is a common carrier with relation to merchant ships is a question that has in one case divided the English judges (*Nugent v Smith* 1876 t. C. I. D. 27) The owners of a ship are answerable at common law for damage to other ships goods on board thereof perils and the like occasioned by the negligence of the master or crew in the course of their lawful employment to the full extent of the injury sustained in ship goods or person and if the injured person dies by the accident his family and relations are entitled by statute to maintain

an action for the loss suffered by them in consequence.

But by the Merchant Shipping Act 1894 (Sec 504) no owner of a British sea going ship or share therein is liable to make good any loss or damage that may happen without his fault or privity or to any of the following things (that is to say) (1) Of or to any goods merchandise or other things whatsoever taken in or put on board any su h ship by reason of any fire happening on board such ship (2) of or to any gold silver diamonds wat h's jewels or precious stones taken in or put on board any su h ship by reason of any robbery mbezzlement making away with or secreting theref unless the owner or shipper thereof has at the time of shipping the same inserted in his bills of lading or otherwise declared in writing to the master or owner of such ship the true nature and value of such articles—to any extent whatever

And by Section 503 of the Act of 1894 as amended by Section 69 of the Act of 1906 the owners of a ship whether British or foreign shall not in cases where all or any of the following events occur without their actual fault or privity (that is to say)—(1) Where any loss of life or personal injury is caused to any person being carried in such ship (2) where any damage or loss is caused to any goods merchandise or other things whatsoever on board the ship (3) where any loss of life or personal injury is by reason of the improper navigation of the ship caused to any person carried in any other vessel (4) where any loss or damage is by reason of the improper navigation of the ship caused to any other vessel or to any goods merchandise or other things whatsoever on board any other vessel—be liable in respect of loss of life or personal injury either alone or together with loss or damage to vessels goods merchandise or other things to any aggregate amount exceeding £15 for each ton of the ship's tonnage nor in respect of loss or damage to vessels goods merchandise or other things whether there is in addition loss of life or personal injury or not to an aggregate amount exceeding £8 for each ton of the ship's tonnage such tonnage to be the registered tonnage in the case of sailing ships and in the case of steam ships the registered tonnage with the addition of any engine-room space deducted for the purpose of ascertaining that tonnage The owner of every sea going ship or share therein is liable in respect of every such loss of life personal injury loss of or damage to goods arising on distinct occasions to the same extent as if no other loss injury or damage had arisen The above limitation of the liability of the owners of any ship in respect of loss of or damage to vessels goods merchandise or other things extends to any loss or damage caused to property or rights of any kind whether on land or on water or whether fixed or movable by reason of the improper navigation or management of the ship

When the damage is in consequence of the non observance of certain statutory rules of the sea the statutory presumption in the absence of other evidence is that it was occasioned by the wilful default of the person who was in charge of the deck at the time The owners are bound by every lawful contract made by the master relative to the usual employment of the ship If the owners desire to exonerate themselves from the liability attaching to them by the acts of their master they must give clear notice of their intention The obligation to

that the same are free from incumbrances [if there be any mortgage add "save as appears by the registry of the said ship"]

In witness whereof
subscribed name ha hereunto
this day of and affixed seal
one thousand

Executed by the above-named }
in the presence of }

A purchaser of a registered British vessel does not obtain a complete title until the bill of sale has been recorded at the port of registry of the ship, and neglect of this precaution may entail serious consequences. A registrar must indorse on the bill of sale the fact of the registration with the day and hour thereof.

In addition to the above provisions of the Merchant Shipping Act, 1894, the following Sections regulate mortgages of a ship or shares therein—

Mortgage of Ship or Share

"31 (1) A registered ship or a share therein may be made a security for a loan or other valuable consideration, and the instrument creating the security (in this Act called a mortgage) shall be in the form marked B in the first part of the first schedule to this Act, or as near thereto as circumstances permit, and on the production of such instrument the registrar of the ship's port of registry shall record it in the register book.

"(2) Mortgages shall be recorded by the registrar in the order in time in which they are produced to him for that purpose, and the registrar shall by memorandum under his hand notify on each mortgage that it has been recorded by him stating the day and hour of that record.

Entry of Discharge of Mortgage.

"32 Where a registered mortgage is discharged, the registrar shall on the production of the mortgage deed, with a receipt for the mortgage money indorsed thereon, duly signed and attested, make an entry in the register book to the effect that the mortgage has been discharged, and on that entry being made the estate (if any) which passed to the mortgagee shall vest in the person in whom (having regard to intervening acts and circumstances, if any), it would have vested if the mortgage had not been made.

Priority of Mortgages.

"33 If there are more mortgages than one registered in respect of the same ship or share, the mortgages shall, notwithstanding any express, implied or constructive notice, be entitled in priority, one over the other, according to the date at which each mortgage is recorded in the register book and not according to the date of each mortgage itself.

Mortgage not Treated as Ouster.

"34 Except as far as may be necessary for making a mortgaged ship or share available as a security for the mortgage debt, the mortgagee shall not be treated as the owner of the ship or share, nor shall the mortgage be deemed to have ceased to be in force thereon.

Mortgagee to have Power of Sale

"35 Every registered mortgagee shall have power absolutely to dispose of the ship or share in respect of which he is registered, and to give effectual receipts for the purchase money, but where there are more persons than one registered as mortgagees of the same ship or share, a subsequent mortgagee shall not, except under the order of a court of competent jurisdiction, sell the ship or share without the concurrence of every prior mortgagee.

Mortgage not Affected by Bankruptcy

"36 A registered mortgage of a ship or share shall not be affected by any act of bankruptcy committed by the mortgagor after the date of the record of the mortgage, notwithstanding that the mortgagor at the commencement of his bankruptcy had the ship or share in his possession or order or disposition, or was reputed owner thereof, and the mortgage shall be preferred to any right, claim or interest therein of the other creditors of the bankrupt or any trustee or assignee on their behalf."

Transfer of Mortgages.

The main provisions of Sections 37 and 38 are—

A registered mortgage of a ship or share may be transferred to any person, and the instrument effecting the transfer shall be in the prescribed form, or as near thereto as circumstances permit. On production of such instrument the registrar shall record it in the register and notify the fact on the instrument of transfer.

Where the interest of a mortgagee is transmitted on marriage, death, or bankruptcy, or by any lawful means, other than by a transfer under this Act, the transmission shall be authenticated by a declaration of the person to whom the interest is transmitted, containing a statement of the manner in which and the person to whom the property has been transmitted, and shall be accompanied by the like evidence as is by this Act required in case of a corresponding transmission of the ownership of a ship or share. On receipt of the declaration and the production of the evidence the registrar shall register the person entitled as mortgagee.

The prescribed form of mortgage (see Section 31, above) to secure an account current is as follows—

[Insert description of ship and particulars as in Bill of Sale.]

Whereas [here state by way of recital that there is an account current between the mortgagee (describing him) and the mortgagor (describing him); and describe the nature of the transaction so as to show how the amount of principal and interest due at any given time is to be ascertained, and the manner and time of payment.]

Now ["I" or "we"] the undersigned in consideration of the premises for ["myself" or "ourselves"] and ["my" or "our"] heirs, assigns, with the said and ["his" or "their"] assigns, to pay to him or them the sums for the time being due on this security, whether by way of principal or interest, at the times and manner aforesaid, do for the purpose of better securing the said debt of principal of such sum as last aforesaid ["I" or "we"] do hereby mortgage to the said heirs, assigns, which ["I am" or "we are"] the owner

in the ship above part ularly des ribed and in her boats guns ammunitions small arms and appur names

Lastly [I or we] for [myself or ourselves] and [my or our] heirs c tenant with the said and [his or their] assigns that [I or we] ha power to most age in manner of resold the above mentioned shares and that the same are free from incumbrances [if any] prior incumbrance add site as appers by the registry of the said ship }

In witness whereof ha arrets subscribed name and affixed seal this day of one thousand nine hundred and

Executed by the above named }
in the presence of }

The prompt registration of a mortgage deed at the port of registry of the ship is essential to the security of the mortgagee as a mortgage takes its priority from the date of registration not from the date of the instrument

A transfer of mortgage to be indorsed on the original mortgage is as follows—

[I or we] the within mentioned in consid ration of this day paid to [me or us] by hereby transfer to [him or them] the benefit of the within written security In witness whereof [sic as above].

When a mortgage is paid off the following memorandum of it discharge may be indorsed on the mortgage—

Received the sum of in discharge of the within written security Dated at this day of 19

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an action for the loss suffered by them in consequence

But by the Merchant Shipping Act 1891 (Sec 504) no owner of a British sea going ship or share therein is liable to make good any loss or damage that may happen without his fault or privity of or to any of the following things (that is to say) (1) Of or to any goods merchandise or other things whatsoever taken in or put on board any such ship by reason of any fire happening on board such ship (2) Of or to any gold silver diamonds watches jewels or precious stones taken in or put on board any such ship by reason of any robbery embezzlement making away with or secreting thereof unless the owner or shipper thereof has at the time of shipping the same inserted in his bills of lading or otherwise declared in writing to the master or owner of such ship the true nature and value of such articles—to any extent whatever

And by Section 503 of the Act of 1894 as amended by Section 69 of the Act of 1906 the owners of a ship whether British or foreign shall not in cases where all or any of the following events occur without their actual fault or privity (that is to say)—(1) Where any loss of life or personal injury is caused to any person being carried in such ship (2) Where any damage or loss is caused to any goods merchandise or other things whatsoever on board the ship (3) Where any loss of life or personal injury is by reason of the improper navigation of the ship caused to any person carried in any other vessel (4) Where any loss or damage is by reason of the improper navigation of the ship caused to any other vessel or to any goods merchandise or other things whatsoever on board any other vessel—be liable in respect of loss of life or personal injury either alone or together with loss or damage to vessels goods merchandise or other things to any aggregate amount exceeding £15 for each ton of the ship's tonnage nor in respect of loss or damage to vessels goods merchandise or other things whether there is in addition loss of life or personal injury or not to an aggregate amount exceeding £8 for each ton of the ship's tonnage such tonnage to be the registered tonnage in the case of sailing ships and in the case of steam ships the registered tonnage with the addition of any engine-room space deducted for the purpose of as retaining that tonnage The owner of every sea going ship or share therein is liable in respect of every such loss of life personal injury loss of or damage to goods arising on distinct occasions to the same extent as if no other loss injury or damage had arisen The above limitation of the liability of the owners of any ship in respect of loss of or damage to vessels goods merchandise or other things extends to any loss of damage caused to property or rights of any kind, whether on land or on water or whether fixed or movable by reason of the improper navigation or management of the ship

When the damage is in consequence of the non observance of certain statutory rules of the sea the statutory presumption in the absence of other evidence is that it was occasioned by the wilful default of the person who was in charge of the deck at the time The owners are bound by every lawful contract made by the master relative to the usual employment of the ship If the owners desire to exonerate themselves from the liability attaching to them by the acts of their master they must give clear notice of their intention The obligation to

from Noumea (in New Caledonia) to Glasgow and in the guano and nitrate trade from South America.

In a few of the long distance trades such as from the United Kingdom or Europe to South America or to Australia carrying heavy cargo which will not depreciate during a long voyage several sailing ships are still employed and a few to Australian ports even carry passengers. From Australia they either return with wool or wheat or they cross with coal cargoes or in ballast to South America there to load for home. The round voyage to Australia out and home usually occupies nearly a year. The smaller sailers that is those under a thousand tons are frequently employed carrying ice and timber from Scandinavian and Baltic ports to the United Kingdom returning in ballast or with coke and in this trade there are still a few survivors from the era of the clippers. A great deal of the irregular trade among Pacific ports also provides employment for sailers.

Considerably less than a hundred years have elapsed since the ocean going steamship became an accomplished fact yet that period has witnessed the rapid development from the small slow wooden vessel with its heavy bulky and weak engines driving cumbersome paddle wheels to the gigantic modern steel liner with its ten decks its powerful machinery and its quadruple screw propellers and the speed of a railway train. It has also witnessed the establishment of steamship routes and connections in such numbers that it is possible to send consignments from any one seaport in the world to any other and the development of facilities for luxurious travel and the rapid transmission of immense quantities of perishable cargo in a manner almost undreamt of only a couple of decades ago but which is revolutionising the food supplies of Western Europe. Trade routes in the old acceptance of the term scarcely exist or rather they are crossed and recrossed and provided with many branches and side lines that they are recognisable with difficulty under present conditions. The change is due to the need of manufacturers to find new outlets for their products the comparative independence of the steamship of wind and weather and after the adoption of steel as the material the cheapness with which large and commodious steamers could be constructed and worked. In the days when sailing ships carried the whole or the bulk of ocean borne merchandise the vessels followed trade routes which were largely regulated by winds prevailing at different seasons of the year and those over seaports were more rapidly developed which were most favourably situated in regard to the trade routes. Nor has the system of management changed in a less degree than the manner in which merchandise is transported. Keen competition to secure freights together with the comparatively low cost at which great steel steamships can be produced and engaged has tended to systematise shipping to an extraordinary extent. The tramp or general utility steamer which travels from port to port picking up cargo where she can is now robbed of some of her old trade by the great liners just as she in her time took the trade away from the sailing ships by virtue of the greater regularity of her voyages though on account of the cargo boat a more economical working as compared with the cost of running the liner she is still able to hold her own in the transport of certain classes of goods. With the reliability of the steamship for long voyages had compelled recognition the owners saw

that it would be to their advantage to institute time tables for departures and arrivals to which the boats had to adhere and so carefully have these time tables been arranged of late years that it is now possible to estimate to within a few hours the time of an ocean liner's arrival at any given port except under unforeseen circumstances such as mishap or unusual stress of weather. Considerable misconception prevails as to the significance of the term liner. At one time it was applied only to the passenger vessels of shipping firms having mail contracts. It is now applied to any ocean going steamer engaged in a regular trade irrespective of the conveyance of mails and passengers. The adoption of regular days of sailing and departure both in regard to the home port and ports of call have resulted in the establishment of a host of smaller proprietaries some independent and some financed which act as feeders to and distributors for the main lines. The number of sailings is so great that it is now an exception so far as exports from Great Britain are concerned to find a consignment to a seaport of any importance requiring more than one transshipment. The system of through bills of lading has so developed also that a still further convenience is added keeping down expense and saving time and with modern facilities for agency and insurance goods are less likely to go astray than ever. Competition in the ship owning business is exceedingly acute and considering the magnitude of the interests involved the risks run and the enormous amount of capital invested it cannot be said that the returns in the shape of profits are very great. Indeed comparing the profits of the modern shipping industry with those obtaining half a century ago it can only be said that present profits are exceedingly small. Naturally therefore the lines that are already established do not wish to see the profits of their enterprise reduced still further. Goods are earned greater distances and faster at a cheap rate which would have been impossible in the old days of sailing ships or even a few years ago by teamsips and steamship owners have endeavoured to protect their interests and prevent reckless competition and rate-cutting by the introduction of so-called shipping rings or conferences together with the rebate system. The rings and rebates have been fiercely assailed at various times but though certain rings have used somewhat harshly occasionally the power which organisation has given them it is incontestable that the system of rings and rebates as a whole has been by no means an unmitigated evil and that the advantages more than counterbalance the drawbacks. Under the rebate system the shipper has to engage that he will ship his goods for six months exclusively by lines in the conference and at the end of a further period of six months if he has still remained faithful to the conference he gets a rebate usually ten per cent on the amount of the freights he shipped during the first six months. The shipper is at perfect liberty to ship by any vessel of any line he pleases and at any rate that he can obtain only if he ships even one item by a vessel belonging to a non-conference line he will if found out lose the whole of his rebates on all his shipments by any conference line steamer during the six months in which his lapse occurred. As almost all the principal lines of whatever nationality are members of a conference the hard lot of the shipper is more fancied than real. Shippers and shipowners work well together under the rebate

Megantic which are the largest in the Canadian trade. Altogether the *White Star* has thirty-three steamers. The dimensions of the largest *White Star* boat the *Olympic* which was especially built for the express service between Southampton and New York are length over all 882 ft 9 in. length between perpendiculars 850 ft. extreme breadth 92 ft 6 in. moulded depth from the top of the bridge deck beam to the keel 73 ft 6 in. gross tonnage about 45 000 tons displacement about 60 000 tons draught loaded 34 ft 6 in. speed 21 knots. The vessel is fitted with a new combination of reciprocating and turbine engines the former indicating about 30 000 horse power and the latter showing a shaft horse-power of 16 000. She has ten decks viz. lower orlop orlop lower middle upper saloon shelter bridge promenade and boat and on seven from the promenade to the upper passengers are carried. The *Olympic* can accommodate no fewer than 750 first class passengers 300 in the second class and 1 100 in the third class. Exceeding even this immense ship however is the *Imperator* now (i.e. in 1912) being built by one of the principal German companies the *Vulcan* of Hamburg and Stettin for the Hamburg America Company. This vessel is of 52 000 tons and is to be employed in the New York and Hamburg trade and is to accommodate not fewer than 5 000 passengers. The new *White Star* boat to replace the *Olympic* sister ship *Titanic* whose loss on her maiden voyage in April 1912 constitutes the greatest single disaster in the history of steam navigation is to be even greater and the same may be said of a Cunarder under construction. She is the largest and most commodious German vessel but is not expected to be as fast as the two Cunard liners.

The outcry referred to together with the appearance of the German liner *Deutschland* resulted in an almost national appeal to the Cunard Line to regain the blue ribbon of the Atlantic. The Government of the day voiced the popular mind and concluded a financial arrangement with the Cunard Company which enabled the latter to order the *Lusitania* and *Mauritania*. The company undertook in return to fulfil certain obligations in the matter of the dimensions and speed of these vessels their construction to permit of their use as armed light cruisers in case of need and their suitability for rapid conversion into transports in either of which capacities their great speed would be of the utmost service. As this arrangement provoked the cry that the company was being subsidised it should be understood that the Government payment was for services rendered.

No British line it may here be explained receives a penny of subsidy to enable it to keep going as so many continental lines do from the Governments of their countries. Britain's payments for services rendered by the shipping companies are usually on a niggardly scale and an examination of the history of the mail contract will prove. For many years the attentions of the British legislature to the shipping industry whatever party has been in power have not infrequently resulted in increased burdens being placed upon the industry including some such as the light dues which should be a national charge.

In order to understand the present position of the steamship industry it is never any to glance briefly at its history. The story of the early days of steamship invention has been told too often to need

repetition here. Steamship building in America developed in accordance with local requirements. As the Hudson river saw the first of the commercial paddle wheel steamers though not the first commercial steam-engine propelled vessel it is but fitting that the development of the paddle steamers plying on its waters should have extended that of the steamers to be found on any other rivers. The finest river steamers in the world are unquestionably those of the Hudson River and the Fall River line such as the *Hendrick Hudson*, *Robert Fulton* and *Commonwealth* all placed on the service in the last few years. The last named which is on the Long Island Sound service is of steel 456 feet over all has 452 staterooms and 1 600 berths and is as luxurious and safe as it is possible for human taste and inventiveness to make her. The others just named are scarcely her inferiors. The shipping laws which the United States Government has seen fit to make from time to time have almost killed the American merchant marine for foreign trade the number of ocean going steamers of the mail vessel type being exceedingly few but in the coastal trade—and the American interpretation of the term is extraordinarily wide—American shipping has absolute protection and has developed greatly. American inventiveness has shown itself in steamers for cargo work the most remarkable being the *halebacks*. These vessels were in greater favour on the Pacific coast and on the great lakes than on the Atlantic coast many of them are of great tonnage and as cargo carriers they were not without advantages but more modern appliances for loading and unloading cargo have tended to their supersession.

The peculiarities of the British rivers caused the development of steamers of a type entirely different from those which were so suitable to American waters. The British rivers are short in comparison and their navigable lengths are not great even now and were much less in the early days of steam navigation before extensive dredging operations were undertaken. Consequently all the vessels which were not intended for purely smooth water or canal work had to be designed to undertake sea voyages also. The fine-lined wedge shaped bows which supplanted the bluff bows copied from the sailing ships were designed and introduced by David Napier who after a series of experiments brought about the first great departure in the shape of steamships the success which attended his efforts convincing the naval architects of the day that better speed would be obtained by the adoption of wedge bows and this too without increase in coal consumption.

The engines for many years were a modification of the oscillating beam type which was found so satisfactory on land, but whereas in America the beam was placed above the crank the practice in this country has been to place it below the crank and at the end whence the name of *side-lever* engine. These engines were peculiarly suitable to driving paddle wheels but as steamers and engines increased in size it was found the latter occupied too much space and were too weighty for the power developed and the double-cylinder direct acting engines which were lighter and smaller and more powerful superseded them. In 1858 oscillating cylinders for which Messrs. Manly & Lenn the latter especially were largely responsible effected a further economy of space besides giving increased power. For rapid travelling in fine weather an

lines to be established on the Atlantic, and the little Quebec steamer *Royal William* may be said to have been its forerunner. Mr Samuel Cunard a merchant at Halifax Nova Scotia had entertained for many years the idea that regular steam communication across the Atlantic was possible but though he was a director of the company which sent the *Royal William* to England it does not appear that he took any prominent part in the organization of the enterprise. The unlucky *British Queen* Company showed that a regular service could be maintained by which the mails could be carried better than the Government's coffin bogs could ever hope for and when the Government in 1833 asked for tenders for a steam mail service Mr Cunard saw that the opportunity had arrived, and established the famous line. Robert Napier the Clyde steamship builder had just achieved a remarkable success with the *Monarch* and when Mr Cunard who had a letter of introduction to him from a London gentleman unfolded his scheme Mr Napier took him to two other Glasgow gentlemen whose names were then and still are represented in the front rank of the shipping industry viz John Burns of Glasgow and David MacIver his partner at Liverpool. They were able to make such arrangements that Mr Cunard's tender was accepted for the carriage with four steamers of the mails fortnightly between Liverpool Halifax and Boston. The first steamer to sail under the Cunard flag was the *Unicorn* which upon her arrival at Halifax was retained in the local and coasting trade and acted as a feeder to the regular mail line. The *Britannia* made the first sailing under the mail contract leaving Liverpool on July 4th 1840. She was about 707 feet in length and of 1154 tons. The trade between the two countries grew to such an extent that new steamers were necessary. By 1847 the Government required a weekly service and increased the mail subsidy to £173 340 per annum. Four more vessels were added to meet the new conditions and marked a further increase in the size of the transatlantic steamers they being 251 feet in length between perpendiculars 1825 tons gross and with engines of 2,000 indicated horse power and an average speed of between ten and eleven knots.

So successful indeed, was the Cunard line that it had several imitators, some of whom became temporary rivals. The most serious of these was the American undertaking known as the Collins Line and named after its founder Mr Edward B. Collins of New York. The law which Congress passed in 1845 enabling United States steamers to carry the mails in return for subsidies resulted in a crop of enterprises both on the Pacific and on the Atlantic. Those on the Pacific side having less competition achieved a fair measure of success and one company the Pacific Mail is still in existence and owns some very fine vessels. On the Atlantic side every American effort seemed doomed to failure. The Collins Line proprietors provided steamers which were not to be surpassed for speed comfort or size by any vessels then afloat. At first the Collins Line appeared destined to secure the chief position in the Atlantic trade but it was so extravagantly managed from the first that it was never able to pay a dividend and its collapse was hastened by two of the most terrible disasters in the history of early steam navigation. One of these catastrophes the sinking of the *Arctic* in collision when about 300 persons were drowned showed the need of a system of

signalling in foggy weather by means of blasts on the steam whistles and a series of signals was arranged and adopted by governments and steamship owners and has been retained ever since with but slight modifications. The last Collins liner *Admatic* and her Conard rivals may be said to mark the highest development of which the wooden sailing paddle wheel steamer was capable.

Steamship development however was not confined to the Atlantic trade and the vessels intended for other waters had other conditions to meet and were designed accordingly. The first across an ocean going steamer of moderate speed fast under sail and carrying considerable quantities of cargo as well as a large complement of passengers Messrs Bourne in 1844 the managers of the Dublin and London Steam Packet Company established the Peninsular Steam Navigation Company to trade between London and Spanish ports and inaugurated its sailings with the *Royal Tar* and so reliable was the service that in 1837 the Lord Commissioners of the Admiralty as representing the British Government contracted with the Company for the carriage of mails between London Lisbon and Gibraltar. The first vessel employed under this contract was the *Iberia* of 690 tons register which sailed in September 1837. The *William Passat* is sometimes said to have been the first vessel of the Peninsular Company but this does not appear to be substantiated. Other mail experiments were tried by the Government involving two or three transshipments before Egypt was reached and there being still a great amount of dissatisfaction the Peninsular Company proposed to carry the mail without transshipment to Alexandria employing for the purpose the steamers *Great Liverpool* and *Oriental*. The extension of the company's connection to the east necessitated a revision of its name and in 1840 by reason of the development of its enterprises the company was granted a royal charter of incorporation under the name of the Peninsular and Oriental Steam Navigation Company and is famous throughout the world under its abbreviated title of the P and O. The company's performance was so successful that it entered into another contract to convey the mails between Suez and India in 1842 calling at Madras Ceylon and Calcutta and ere long other contracts were entered into for the carriage of the mails to the Straits Settlements and Hong Kong. The great drawback to the route to India via Suez was the scramble across the isthmus. This was the famous overland route and with all its inconvenience and excitement the short land journey remained the principal hindrance to the convenience of passengers and merchandise between England and the Far East until the genius of de Lesseps made possible the Suez Canal.

Another of the great historic and still independently existing steamship companies established in the earlier days of steam navigation is the Royal Mail Steam Packet Company which by the policy of enterprise and absorption adopted by its directors in the last few years has become one of the largest and most influential shipping corporations in the world and is now claimed to control a greater shipping tonnage than any other organisation British or foreign. The company was incorporated under a royal charter in 1838 to carry the mails to the West Indies and was employed by the Government. The subsidy was

combustion engines of one type or another. Although great power was obtainable with internal combustion engines, or motors, to give them their more popular name, it was found that beyond a certain limit the weight increased in greater proportion than the power. Consequently motors were considered to be fit only for small craft, or as auxiliaries to larger vessels.

Not so long ago it was prophesied that the days of the sailing ship were numbered and that she must disappear before the all-conquering steamer. The oil engine, however, is claimed to have given the sailer a new lease of life, it is proving a serious competitor to the steam engine. The oil engine occupies little space and as an auxiliary to the cheapest power known, viz., wind power, is expected to prove of great utility. Several sailing vessels of considerable tonnage have been equipped with oil motors of one kind or another, burning cheap heavy-grade oils, and one very large French ship, the *Quevilly*, which was, at the time of her launch, the largest French sailing ship, has been fitted with an oil motor, and the experiment is reported to have proved most satisfactory. The largest sailing ship in the world, the auxiliary barque *La France*, 6,500 tons, built at Bordeaux for the New Caledonia ore trade, and launched this year, has oil engines of 2,000 horse-power from the Cressot works.

But motors were not destined to remain merely auxiliaries or suitable for small vessels only. Internal-combustion engines of very considerable power have been in use for many years, but they were not applicable for marine work, and for a long time the problem of designing a motor which should be capable of being installed in large vessels remained unsolved. Engines suitable for fast racers were of no use for cargo boats. When a few years ago the application of internal-combustion engines to marine purposes became a commercial possibility, light high-speed engines were in great favour, and these not being altogether satisfactory, heavy slow-speed engines came into favour. Now a mid-way type is found to give the best results. Sixteen years ago there was hardly a motor boat afloat, now they are to be numbered by the thousand, they are to be found in all parts of the civilised or partly civilised world, and their owners range from royalty in Europe and Asia to negroes in Nigeria. The earlier motor boats to attract public attention were necessarily experimental, for there had been nothing to indicate what power could be placed in a hull of any given dimensions which should enable the hull to reach its limit of speed without losing its seaworthiness. Suitable types of hulls were, however, evolved, and new methods of construction were devised to meet the novel requirements. Racing motor boats are outside the scope of this article, though it is interesting to note that Sir John Thornycroft's *Maple Leaf III* in the summer of 1911 attained a speed of between 58 and 59 miles an hour. The value of the motor for what may be called dirty-weather work is shown by their adaptability to the purposes of the North Sea trawlers, many of these boats being equipped with one make of motor or another. For life-boats also they have proved their utility, both in the boats of the National Lifeboat Institution and in smaller steel life-boats carried on passenger liners. For comparatively small passenger boats, up to about 150 ft. in length, the motor soon proved to be suitable, and some fast and commodious vessels are recently placed in service on the west coast of Scotland. Motor barges

became fairly numerous, but motor engineers were not satisfied that the development of the motor had much more than begun, and its application to large cargo steamers was seriously considered. Several types were recommended, but that which has given most satisfaction up to the present is the Diesel engine. The steamer *Toller*, built at Newcastle in 1911, was the first ocean-going cargo vessel to have motor engines. She is 243 ft. in length between perpendiculars, and has two sets of engines of a combined brake horse-power of 360, and 250 revolutions. She was employed as a collier for a few voyages between Newcastle and the Continent, and gave every satisfaction, proving herself a good sea boat and able to maintain an average speed of a trifle over 8 knots. Her oil consumption averaged about one and three-quarter tons per day, which compares very favourably with a coal consumption of about eight tons per day for a steam engine giving similar results in a similar vessel. There are no boiler and no coal bunkers, no firemen are required, and her cargo capacity is greater than that of a steam vessel of like dimensions. The largest British-built motor-engined vessel is the *Jullandia*, by Barclay, Curle & Co.; she is 384 ft. in length, 5,300 tons gross, and 10,000 tons displacement, and her two sets of Diesel engines develop 3,000 horse-power. Every 100 tons of oil she consumes are estimated to be as effective as 300 tons of coal. Some larger vessels with internal combustion engines have been built for the cargo trade between Germany and America and Germany and Siam, the *Selandia* being the most remarkable so far.

SHIPPING ADVICES.—There are a great number of papers used in the shipping trade which may be classed under the heading of shipping advices. We will look at some of them. In the first place, we must assume that a firm of merchant shippers has given an order to a manufacturer that the goods are ready packed, and that the manufacturer has applied for marks, numbers, and shipping instructions. We will take it that the goods are for South Africa, and that shipment is desired by the Natal line of steamers. The merchant firm would then send instructions worded something like the following—

Manchester . . . 19..

Messrs John, Zebedee & Co.

Send forward your goods to the order of Messrs Bullard, King & Co.

14, St. Mary Axe, London, E.C.

For shipment per ss "UMTATA," loading in East India Dock, Blackwall, marked—



1231/5

Natal

On no account must other than the above numbers be used.

If more are required, apply to us.

Advise consignees of contents and value and gross weight of each package.

.. Copies of invoice to Manchester. Each copy to have all trade and cash discounts deducted in ink in the same hand or typewriting, and must also state gross weight and measurements of each package. Invoices rendered otherwise will be returned, and supplier held responsible for any loss or fines caused by delay in clearing Customs on account of absence of documents.

The Order No. and Indent No. must be shown

on all invoices and the invoices must be accompanied by two certificates of origin on the regular form from which the net value

Please correctly note on invoices a single the total amount due for the goods are carriage forward carriage paid, FOB or F.O.R. only

If the carriage is paid by the suppliers the amount of such carriage must be stated at the foot of the invoice and certified by the firm's signature. If this is omitted we shall be compelled to debit you with duty on the amount of the carriage.

John Arthur & Sons

The goods having been duly despatched to the steamer and the invoices forwarded the same day to the merchant's shipping clerk at Messrs. Johnson, Arthur & Sons would advise Messrs. Bolland King & Co. of the marks and numbers number of cases or packages, the contents in detail gross weight, amount, and town of dispatch and would attach a slip to his advice note giving the necessary instructions as follows—

Copy to Johnson Arthur & Sons

Dunbar, Natal

One copy Bill of Lading sent to consignees copies of Bill of Lading and copies of Freight Accounts to our Manchester address

Messrs. Bolland King & Co. would clear the goods, collect and pay all dock dues and also all charges for carriage on goods sent carriage forward debiting paid on that account on the first bill of accounts.

On their part Messrs. Bolland King & Co., as the shippers would issue from time to time bills of lading giving the name of the vessel, the loading berth, and the last day for receiving cargo. Goods arriving too late for shipment through delay in transit or in a despatch would be what is known as "out of time" and demurrage or warehousing charges or rent incurred. In order to avoid all unnecessary charges the shipping clerk at Messrs. Johnson, Arthur & Sons would discontinue giving instructions to suppliers at least two days before the advertised closing date if he thought it possible the goods forwarded by him a manufacturing town would arrive late. It may also be possible that cargo would arrive before the steamer or vessel is ready to receive it. Some shippers are very particular about incurring any charges on this account, for demurrage etc. and insert a clause in their contracts as follows—

All cargo to be consigned to and forwarded to the consignee and to be forwarded until an onward date has been named by them, failing compliance steamer will not be responsible for any demurrage on wagons required, but as the clause for demurrage made by the rail or companies are becoming very serious and are enforced by them, it is necessary to attract attention to the matter and to intimate to the consignee of compliance with the instructions issued by the steamer owners will decline any liability for demurrage arising rent, or warehousing charges incurred.

Whenever the dock company will allow goods for storage if they are sent down to a vessel's berth and the goods are immediately shipped (1) to remain at the dock in the open air (2) for one calendar month (3) for rent, after which period the company may take the goods and store and re-deliver to consignees at the usual rates.

charging the owner of the goods for the extra services performed at certain scheduled rates plus rent (after the one month), plus tolls and wharfage. This long wait would apply more particularly to sailing vessels overdue or late through stress of weather or any other cause.

Re Transshipment Cargo. We will suppose that it is desired to ship goods from an inland English town to East Africa by the Deutsche Ost Afrika Linie. Through rates could be given and through bills of lading issued from London Liverpool Glasgow Manchester Leith etc. to East African ports, but it would be very necessary to observe strictly the shipping advice from the steamship companies' agents. Land cargo from London would be delivered to the British and Foreign Wharf Lower East Smith's Island, with a shipping note supplied by the agents. London water borne cargo would only be sent alongside the connecting steamer on the date given by the agents.

The shipping clerk then—the man whose business it is to receive and forward all shipping advice—must keep a sharp look-out in order to avoid all unnecessary charges and make mental or written notes of all notices from the shipping companies by which his firm's goods are shipped, particularly with regard to the last day for receiving goods. The invoices must conform to the overseas Customs requirements and it will be very necessary for all the papers to be quite in order so that clearance at port of landing may be facilitated.

SHIPPING BILLS.—These are of two kinds

(1) Customs documents used in cases where drawback (or) is claimed upon dutiable goods transhipped either for re-export or for use on board during a voyage.

(2) Documents giving particulars of the goods and the exporting vessel used chiefly for statistical purposes.

SHIPPING CARDS.—These are cards issued by ship brokers to their customers giving particulars of the ship or ships they are about to load the loading berth date of departure etc.

SHIPPING NOTICES.—These are documents which are addressed to the superintendent of the dock where a ship is lying requesting that official to receive and to ship certain goods named therein.

SHIPPING RINGS.—A shipping ring or conference is a combination more or less close, of shipping companies formed for the purpose of regulating or restricting competition in the carrying trade on a given trade route or routes. The vessels employed by these companies are usually of the class known as liners i.e. vessels of high class and speed sailing and arriving at fixed dates advertised beforehand. In addition to mail steamers and passenger steamers they include vessels which carry cargo only, and are known as cargo steamers. The operations of a conference are confined to a particular trade route that is to say the engagements which the various lines enter into with one another only apply to the trade within certain definite areas or between specific ports. A steamship company may be a member of several conferences but its engagements in one are independent of those in any other. Thus the P&O and the Indian Navigation Company are members of the conference in the trade to India and the Orient Line Navigation Company is a member of the conference in the trade to Australia but its obligations as such do not extend to the other trades. The conference is a body which regulates its traffic to India and the Far East and other parts of the world.

APPOINTMENT BY MASTER OF RESPONSIBLE OFFICER TO MAKE REPORT.

Port of *Bombay*

I, *T. Ryan*,
being Master of the ship *Solank*,
Calcutta,

which arrived here from

on the *20th Nov., 1912*,

virtue of the power vested in me by the Revenue Act, 1898 (61-2 Vic. cap 46, sec. 2 (1)), or

appoint *John Lipton, First Mate*,

one of the responsible Officers of the said ship, to make, on my behalf, the Report required by
Act 39 and 40 Vic., c. 26, s. 50, holding myself responsible for all his acts in such matter.

Signed

T. Ryan

Signed

John Lipton

Signed this *20th* day of *Nov.*, 1912, in the presence

of *S. J. Johnson, Surveyor of Customs*

Signature of Witness, who should, whenever possible, be a Commissioned Officer of Customs,
acting here, the broker of the ship or his usual and known representative.

THE POST OFFICE ACT, 1908

DECLARATION OF COMPLIANCE WITH ACT AS TO DELIVERY OF LETTERS

I, *T. Ryan*

Master of the *Solank*,

do hereby declare

do, as required by Law, solemnly

that I have taken all necessary steps to ensure that every postal packet and letter delivered or caused to be delivered, to the Post Office

on board the *Solank*, except as otherwise provided by Law.

Signed

day of

1912

Signature of

written down yearly in the books of the lender the amount of the limit should be written down also.

Generally the valuation will be made by an expert especially if the loan to be advanced on the security of the ship is of any magnitude. But in the absence of an expert there are certain points which may be put forward as being likely to assist in arriving at an approximate value. The following remarks are a summary of the advice put forward by an eminent authority on the subject of valuation and they are especially applicable when the lender is a banker.

In the first place the person who attempts to value a ship should know the ship & have a full and accurate knowledge of its history because there may be circumstances which will affect its value quite apart from the original cost or any recognised system of depreciation.

A ship may be built of iron or of steel. An iron vessel does not wear out so rapidly as one of steel (the corrosion being less) and therefore its life is usually a longer one. Most ships however are now built of steel and the figures that are given in the present article refer more particularly to them.

The different classes of steamers are passenger boats cargo and passenger boats cargo boats or tramp steamers as they are commonly called trawlers and tugs. In making a valuation each class requires different treatment but the boats which are most frequently submitted to the judgment of a lender are trawlers and cargo boats.

The cost of building a boat depends principally upon two things—

1 The state of the shipbuilding trade

2 The size of the vessel

With regard to the former if trade is in a flourishing condition a boat might cost £3 per ton dead weight (the dead weight is its carrying capacity) to build whereas in normal times the cost might be only £5 per ton. With respect to the latter a smaller boat costs more per ton to build than a larger one because the cost of the more expensive parts (the machinery etc.) does not increase in proportion to the size of the boat & in a large boat the average cost per ton is reduced because the cost of providing merely additional bulk is much less than the cost of building the expensive portion.

A ship depreciates in value and therefore a sufficient deduction for depreciation must be made. After every four years a boat must undergo a survey to the satisfaction of Lloyd's Registry Surveyors. The survey which takes place at the end of the first four years is called No 1 Survey; at the end of the second period of four years, No 2 Survey takes place; and at the end of the third period of four years No 3 Survey is made. Afterwards other surveys take place at the end of each four years and these are known as Special Surveys, being numbered 1, 2, and 3 respectively & Special No 1 Survey, Special No 2 Survey, and Special No 3 Survey.

In normal times the cost of building a cargo boat of 8000 tons dead weight is say £5 per ton which would make the total cost £40,000. At the end of the first year 10 per cent depreciation should be written off; at the end of the second year nothing need be deducted but at the end of the third and fourth years 5 per cent of the reduced value should be deducted. At the end of the fifth year the deduction may be omitted because in that year the boat must be put into thorough repair and any appreciable wear and tear made good in order to

pass No 1 Survey to the satisfaction of the surveyors. At the end of the sixth seventh and eighth years the 5 per cent deductions should be continued but at the end of the ninth year the deduction may be omitted because in that year the boat must again be put in order so as to pass No 2 Survey. The deductions should go on in the same way for the next three years and again be omitted in the year (the thirteenth) when No 3 Survey is passed. The 5 per cent deductions may be continued for the following four years including the seventeenth year when the Special No 1 Survey must be passed. From this point the deductions should be considerably larger say 7½ per cent each year so as to bring down the value by the time the Special No 3 Survey is due (that is in the twenty fifth year) within £12,000 as by that time the vessel is worth not more than 30s per ton dead weight. The scrap or breaking up value of an 8000 tons cargo boat may be taken to be from about £7,000 to £8,000.

No 1 Survey does not as a rule necessitate much outlay but a banker should always bear in mind the importance of the succeeding surveys and should consider carefully as each one approaches whether the owner of the boat will or will not be in a position to carry it through the survey. The most important is No 3 Survey and a sum of at least £2,500 may be required to be spent upon the boat before it will satisfy the surveyors.

The example of the 8000 tons cargo boat built at a cost of £5 per ton dead weight with the deductions for depreciation as above explained would work out as follows—

Cargo boat 8000 tons at £5 per ton = £40,000
At end of 1st year deduct 10 per cent = 4,000

| | | | |
|------|---|---|--------|
| | | | 36,000 |
| 2nd | no deduction | | |
| 3rd | deduct 5 per cent | = | 1,800 |
| | | | 34,200 |
| 4th | | = | 1,710 |
| | | | 32,490 |
| 5th | no deduction (because the boat must be put into thorough repair to pass No 1 Survey in this year) | | |
| 8th | deduct 5 per cent | = | 1,624 |
| | | | 30,866 |
| 7th | " | = | 1,541 |
| | | | 29,325 |
| 8th | " | = | 1,467 |
| | | | 27,857 |
| 9th | no deduction (after No 2 Survey has been passed) | | |
| 10th | deduct 5 per cent | = | 1,392 |
| | | | 26,465 |
| 11th | " | = | 1,317 |
| | | | 25,148 |
| 12th | " | = | 1,242 |
| | | | 23,906 |

APPOINTMENT BY MASTER OF RESPONSIBLE OFFICER TO MAKE REPORT.

Port of *Bristol*

I, *T Ryan*,
being Master of the ship *Solruh*,
Calcutta,
on the *20th Nov*, 1912,
virtue of the power vested in me by the Revenue Act, 1898 (61-2 Vic cap. 48, sec 2 (1)), or
appoint* *John Lipton*, *First Mate*,
one of the responsible Officers of the said ship, to make, on my behalf, the Report required by the
Act 39 and 40 Vic, c. 36, s. 50, holding myself responsible for all his acts in such matter

Signed *T. Ryan*, (Master)

Signed *John Lipton*, (First Mate)

Signed this *20th* day of *Nov*, 1912, in the presence

of *S Robinson*, *Surveyor of Customs*

(Signature of Witness, who should, whenever possible, be a Commissioned Officer of Customs, failing him, the broker of the ship or his usual and known representative)

THE POST OFFICE ACT, 1903

DECLARATION OF COMPLIANCE WITH ACT AS TO DELIVERY OF LETTERS.

I, *T Ryan*,
arriving from *Calcutta*,
Bristol,
or Parcel of Postal Packets, that was on board the
exempted by Law
Master of the *Solruh*,
do, as required by Law, solemnly declare that
I have, to the best of my knowledge and belief, delivered or caused to be delivered, to the Post Office,
every postal packet and every Mail Bag, Parcel
except such Packets as

Signed by *T Ryan*,

Master

Dated the *20th* day of *Nov*,

1912

Witness

Postmaster of

This Declaration must be produced to the proper Officer of Customs before or at the time of the
of the vessel, and the Act provides that if the Master of a Vessel refuses or wilfully neglects to make
Declaration, he shall Forfeit Fifty Pounds

allow all his shop assistants a holiday on full pay of not less than two weeks in every year and keeps affixed in his shop a notice to that effect the requirement that on one day in each week a shop assistant shall not be employed after half past one o'clock shall not apply to the shop during such period or periods as aforesaid.

"7—(1) It shall be the duty of every local authority to enforce within their district the provisions of the Shops Regulation Acts 1892 to 1911 and of the orders made thereunder and for that purpose to institute and carry on such proceedings in respect of failures to comply with or contraventions of those Acts and the orders made thereunder as may be necessary to secure the observance thereof and to appoint inspectors and an inspector so appointed shall for the purposes of his powers and duties have in relation to shops all the powers conferred in relation to factories and workshops on inspectors by section one hundred and nineteen of the Factory and Workshop Act 1901 and that section and section 121 of the same Act shall apply accordingly and an inspector may if so authorised by the local authority institute and carry on any proceedings under this Act on behalf of the authority.

(2) In this Act the expression local authority means—

as respects the city of London the common council

as respects any municipal borough the council of the borough

as respects any urban district with a population according to the returns of the last published census for the time being of twenty thousand or upwards the district council

elsewhere the county council

and the same local authorities shall be the local authorities for the purposes of the Shop Hours Act 1904 and shall in so far as they differ from the local authorities specified in that Act be substituted for those local authorities.

Provided that a county council may with the approval of the Secretary of State make arrangements with the council of an urban district in the county with a population of less than twenty thousand or with the council of a rural district for the exercise by the council of that district as agents for the county council on such terms and subject to such conditions as may be agreed on of any powers of the county council under the Shops Regulation Acts 1892 to 1911 within the district and the council of the district may as part of the agreement undertake to pay the whole or any part of the expenses incurred in connection with the exercise of the powers delegated to them and the London county council may with the like approval make similar arrangements with the council of any metropolitan borough.

(3) The expenses of a local authority under the Shops Regulation Acts 1892 to 1911 (including any expenses which a council undertake to pay as aforesaid) shall save as otherwise expressly provided by this Act be defrayed—

in the case of the common council of the city of London out of the general rate

in the case of the council of a borough out of the borough fund or borough rate

in the case of a district council as part of the general expenses incurred in the execution of the Public Health Acts

in the case of a county council as expenses for special county purposes

in the case of a metropolitan borough council as part of the expenses of the council

8.—(1) If a shop assistant is employed contrary to the provisions of this Act or is not allowed times for meals as required by this Act the occupier of the shop shall be guilty of an offence against this Act unless in the case of a shop as astant employed after half past one o'clock in contravention of this Act he proves that the shop assistant was employed merely for the purpose of serving a customer whom he was serving at that time or that time coincided with the time of the closing of the shop and that the shop assistant was employed merely for the purpose of serving customers who were in the shop at that time.

(2) If a shop is kept open on the weekly half holiday the occupier of the shop shall be guilty of an offence against this Act.

Provided that the occupier of a shop shall not be guilty of an offence against this Act when customer is served at any time at which the shop is required to be closed if he proves either that the customer was in the shop before the time when the shop was required to be closed or that there was reasonable ground for believing that the article supplied to the customer was required in the case of illness.

(3) If the occupier of a shop contravenes or fails to comply with any of the other provisions of this Act or the orders made thereunder he shall be guilty of an offence against this Act.

(4) Where an offence for which the occupier of a shop is liable under the Shops Regulation Acts 1892 to 1911 has in fact been committed by some manager, agent, servant, or other person the manager, agent, servant, or other person shall be liable to the like penalty as if he were the occupier.

(5) A person guilty of an offence against this Act shall be liable to a fine not exceeding—

(a) in the case of a first offence one pound

(b) in the case of a second offence five pounds and

(c) in the case of a third or subsequent offence ten pounds

(6) The provisions of the Shop Regulation Acts 1892 to 1904 relating to offences and proceedings shall apply as if re-enacted in this Act and in terms made applicable thereto and as if references to the occupier of a shop were substituted for references to the employer of a young person.

(7) All fines imposed in any proceedings instituted by or on behalf of a local authority in pursuance of their powers and duties under the Shops Regulation Acts 1892 to 1911 shall be paid to the local authority and carried to the credit of the fund out of which the expense incurred by the authority under those Acts is defrayed.

9.—(1) Any order made by a local authority under the Shops Regulation Acts 1892 to 1911 may be proved by the production of a copy thereof certified to be a true copy by a person purporting to be the clerk of the local authority by whom the order was made.

(2) Any order made by a local authority

made affecting a shop, the weekly half-holiday as respects the shop shall be such day as the occupier may specify in a notice affixed in the shop, but it shall not be lawful for the occupier of the shop to change the day oftener than once in any period of three months

"(4) Where the local authority have reason to believe that a majority of the occupiers of shops of any particular class in any area are in favour of being exempted from the provisions of this section, either wholly or by fixing as the closing hour instead of one o'clock some other hour not later than two o'clock, the local authority, unless they consider that the area in question is unreasonably small, shall take steps to ascertain the wishes of such occupiers, and, if they are satisfied that a majority of the occupiers of such shops are in favour of the exemption, or, in the case of a vote being taken, that at least one half of the votes recorded by the occupiers of shops within the area of the class in question are in favour of the exemption, the local authority shall make an order exempting the shops of that class within the area from the provisions of this section either wholly or to such extent as aforesaid

"(5) Where a shop is closed during the whole day on the occasion of a bank holiday, and that day is not the day fixed for the weekly half-holiday, it shall be lawful for the occupier of the shop to keep the shop open for the serving of customers after the hour at which it is required under this section to be closed either on the half-holiday immediately preceding, or on the half-holiday immediately succeeding, the bank holiday

"(6) This section shall not apply to any shop in which a trade or business of any class mentioned in the second schedule to this Act is carried on, but the local authority may, by order made and revocable in like manner as closing orders, extend the provisions of this section to shops of any class exempted under this provision if satisfied that the occupiers of at least two thirds of the shops of that class approve the order.

"(7) The power under the Shop Hours Act, 1904, to fix a closing hour earlier than seven o'clock, shall cease to have effect, and any closing order which is in force at the commencement of this Act shall cease to have effect in so far as it fixes an hour earlier than seven o'clock for any shop to which this section applies

"3.—(1) Where it appears to the Secretary of State, on the representation of the local authority or a joint representation from a substantial number of occupiers of shops and shop assistants in the area of the local authority, that it is expedient to ascertain the extent to which there is a demand for early closing in any locality, and to promote and facilitate the making of a closing order therein, the Secretary of State may appoint a competent person to hold a local inquiry

"(2) If, after holding such an inquiry and conferring with the local authority, it appears to the person holding the inquiry that it is expedient that a closing order should be made, he shall prepare a draft order and submit it to the Secretary of State together with his report thereon

"(3) If the Secretary of State, after considering the draft order and report, and any representations which the local authority may have made

in respect thereof, is of opinion that it is desirable that a closing order should be made, he may communicate his decision to the local authority, and thereupon there shall be deemed to be a *prima facie* case for making a closing order in accordance with the terms of the draft order, subject to such modifications (if any) as the Secretary of State may think fit.

"(4) The person who held the inquiry shall, if so directed by the Secretary of State on the application of the local authority, assist and co-operate with the local authority in taking the steps preliminary to making the order

"(5) The remuneration of persons holding local inquiries under this section, and all other expenses incurred by the Secretary of State under this Act, to such an amount as may be sanctioned by the Treasury, shall be defrayed out of moneys provided by Parliament

"4. Subject to any provisions contained in a closing order, it shall not be lawful in any locality to carry on in any place not being a shop retail trade or business of any class at any time when it would be unlawful in that locality to keep a shop open for the purposes of retail trade or business of that class, and, if any person carries on any trade or business in contravention of this section, the Shops Regulation Acts, 1892 to 1911, shall apply as if he were the occupier of a shop and the shop were being kept open in contravention of those Acts:

"Provided that.

"(a) nothing in this section shall be construed as preventing a barber or hairdresser from attending a customer in the customer's residence, or the holding of an auction sale of private effects in a private dwelling-house; and

"(b) nothing in this section shall apply to the sale of newspapers

"5.—(1) Where several trades or businesses are carried on in the same shop, and any of those trades or businesses is of such a nature that, if it were the only trade or business carried on in the shop, the shop would be exempt from the obligation to be closed on the weekly half-holiday, the exemption shall apply to the shop so far as the carrying on of that trade, or business is concerned, subject, however, to such conditions as may be prescribed

"(2) Where several trades or businesses are carried on in the same shop, the local authority may require the occupier of the shop to specify which trade or business he considers to be his principal trade or business, and no trade or business other than that so specified shall, for the purpose of determining a majority under the Shops Regulation Acts, 1892 to 1911, be considered as carried on in the shop, unless the occupier of the shop satisfies the local authority that it forms a substantial part of the business carried on in the shop

"6.—(1) In places frequented as holiday resorts during certain seasons of the year the local authority may by order suspend, for such period or periods as may be specified in the order, not exceeding in the aggregate four months in any year, the obligation imposed by this Act to close shops on the weekly half-holiday

"(2) Where the occupier of any shop to which any such order of suspension applies satisfies the local authority that it is the practice to

allow all his shop assistants a holiday on full pay of not less than two weeks in every year and keeps affixed in his shop a notice to that effect the requirement that on one day in each week a shop assistant shall not be employed after half past one o'clock shall not apply to the shop during such period or periods as aforesaid.

7.—(1) It shall be the duty of every local authority to enforce within their district the provisions of the Shops Regulation Acts, 1892, to 1911 and of the orders made thereunder and for that purpose to institute and carry on such proceedings in respect of failures to comply with or contraventions of those Acts and the orders made thereunder as may be necessary to secure the observance thereof and to appoint inspectors and an inspector so appointed shall for the purposes of his powers and duties have in relation to shops all the powers conferred in relation to factories and workshops on inspectors by section one hundred and nineteen of the Factory and Workshop Act 1901 and that section and section 121 of the same Act shall apply accordingly and an inspector may if so authorised by the local authority institute and carry on any proceedings under this Act on behalf of the authority.

(2) In this Act the expression local authority means—

a) as respects the city of London the common council

b) as respects any municipal borough the council of the borough

c) as respects any urban district with a population according to the returns of the last published census for the time being of twenty thousand or upwards the district council

d) elsewhere the county council

and the same local authorities shall be the local authorities for the purposes of the Shop Hours Act 1904 and shall in so far as they differ from the local authorities specified in that Act be substituted for those local authorities.

Provided that a county council may with the approval of the Secretary of State make arrangements with the council of an urban district in the county with a population of less than twenty thousand, or with the council of a rural district for the exercise by the council of that district as agents for the county council on such terms and subject to such conditions as may be agreed on of any powers of the county council under the Shops Regulation Act, 1892 to 1911 within the district and the council of the district may as part of the agreement undertake to pay the whole or any part of the expenses incurred in connection with the exercise of the powers delegated to them and the London county council may with the like approval make similar arrangements with the council of any metropolitan borough.

(3) The expenses of a local authority under the Shops Regulation Acts 1892 to 1911 (including any expenses which a council undertake to pay as aforesaid) shall, save as otherwise expressly provided by this Act be defrayed—

a) in the case of the common council of the city of London out of the general rate

b) in the case of the council of a borough, out of the borough fund or borough rate

c) in the case of a district council as part of the general expenses incurred in the execution of the Public Health Acts

in the case of a county council as expenses for special county purposes

d) in the case of a metropolitan borough council as part of the expenses of the council

8.—(1) If a shop assistant is employed contrary to the provisions of this Act or is not allowed times for meals as required by this Act the occupier of the shop shall be guilty of an offence against this Act unless in the case of a shop assistant employed after half past one o'clock in contravention of this Act he proves that the shop assistant was employed merely for the purpose of serving a customer whom he was serving at that time or that time coincided with the time of the closing of the shop and that the shop assistant was employed merely for the purpose of serving customers who were in the shop at that time.

(2) If a shop is kept open on the weekly half holiday the occupier of the shop shall be guilty of an offence against this Act.

Provided that the occupier of a shop shall not be guilty of an offence against this Act when a customer is served at any time at which the shop is required to be closed if he proves either that the customer was in the shop before the time when the shop was required to be closed or that there was reasonable ground for believing that the article supplied to the customer was required in the case of illness.

(3) If the occupier of a shop contravenes or fails to comply with any of the other provisions of this Act or the orders made thereunder he shall be guilty of an offence against this Act.

(4) Where an offence for which the occupier of a shop is liable under the Shops Regulation Acts 1892 to 1911 has in fact been committed by some manager, agent, servant or other person the manager, agent, servant or other person shall be liable to the like penalty as if he were the occupier.

(5) A person guilty of an offence against this Act shall be liable to a fine not exceeding—

(a) in the case of first offence one pound

(b) in the case of a second offence five pounds and

(c) in the case of a third or subsequent offence ten pounds.

(6) The provisions of the Shops Regulation Acts 1892 to 1904 relating to offences and proceedings shall apply as if re-enacted in this Act and in terms made applicable thereto and as if references to the occupier of a shop were substituted for references to the employer of a young person.

(7) All fine imposed in any proceedings instituted by or on behalf of a local authority in pursuance of their powers and duties under the Shops Regulation Acts 1892 to 1911 shall be paid to the local authority and carried to the credit of the fund out of which the expenses incurred by the authority under those Acts are defrayed.

9.—(1) Any order made by a local authority under the Shops Regulation Acts, 1892 to 1911 may be proved by the production of a copy thereof certified to be a true copy by a person purporting to be the clerk of the local authority by whom the order was made.

(2) Any order made by a local authority

made affecting a shop, the weekly half-holiday as respects the shop shall be such day as the occupier may specify in a notice affixed in the shop, but it shall not be lawful for the occupier of the shop to change the day oftener than once in any period of three months

"(4) Where the local authority have reason to believe that a majority of the occupiers of shops of any particular class in any area are in favour of being exempted from the provisions of this section, either wholly or by fixing as the closing hour instead of one o'clock some other hour not later than two o'clock, the local authority, unless they consider that the area in question is unreasonably small, shall take steps to ascertain the wishes of such occupiers, and, if they are satisfied that a majority of the occupiers of such shops are in favour of the exemption, or, in the case of a vote being taken, that at least one half of the votes recorded by the occupiers of shops within the area of the class in question are in favour of the exemption, the local authority shall make an order exempting the shops of that class within the area from the provisions of this section either wholly or to such extent as aforesaid

"(5) Where a shop is closed during the whole day on the occasion of a bank holiday, and that day is not the day fixed for the weekly half-holiday, it shall be lawful for the occupier of the shop to keep the shop open for the serving of customers after the hour at which it is required under this section to be closed either on the half-holiday immediately preceding, or on the half-holiday immediately succeeding, the bank holiday

"(6) This section shall not apply to any shop in which a trade or business of any class mentioned in the second schedule to this Act is carried on, but the local authority may, by order made and revocable in like manner as closing orders, extend the provisions of this section to shops of any class exempted under this provision if satisfied that the occupiers of at least two thirds of the shops of that class approve the order

"(7) The power under the Shop Hours Act, 1904, to fix a closing hour earlier than seven o'clock, shall cease to have effect, and any closing order which is in force at the commencement of this Act shall cease to have effect in so far as it fixes an hour earlier than seven o'clock for any shop to which this section applies

"3—(1) Where it appears to the Secretary of State, on the representation of the local authority or a joint representation from a substantial number of occupiers of shops and shop assistants in the area of the local authority, that it is expedient to ascertain the extent to which there is a demand for early closing in any locality, and to promote and facilitate the making of a closing order therein, the Secretary of State may appoint a competent person to hold a local inquiry

"(2) If, after holding such an inquiry and conferring with the local authority, it appears to the person holding the inquiry that it is expedient that a closing order should be made, he shall prepare a draft order and submit it to the Secretary of State together with his report thereon.

"(3) If the Secretary of State, after considering the draft order and report, and any representations which the local authority may have made

in respect thereof, is of opinion that it is desirable that a closing order should be made, he may communicate his decision to the local authority, and thereupon there shall be deemed to be a *prima facie* case for making a closing order in accordance with the terms of the draft order, subject to such modifications (if any) as the Secretary of State may think fit

"(4) The person who held the inquiry shall, if so directed by the Secretary of State on the application of the local authority, assist and co-operate with the local authority in taking the steps preliminary to making the order

"(5) The remuneration of persons holding local inquiries under this section, and all other expenses incurred by the Secretary of State under this Act, to such an amount as may be sanctioned by the Treasury, shall be defrayed out of moneys provided by Parliament

"4. Subject to any provisions contained in a closing order, it shall not be lawful in any locality to carry on in any place not being a shop retail trade or business of any class at any time when it would be unlawful in that locality to keep a shop open for the purposes of retail trade or business of that class, and, if any person carries on any trade or business in contravention of this section, the Shops Regulation Acts, 1892 to 1911, shall apply as if he were the occupier of a shop and the shop were being kept open in contravention of those Acts:

"Provided that:

"(a) nothing in this section shall be construed as preventing a barber or hairdresser from attending a customer in the customer's residence, or the holding of an auction sale of private effects in a private dwelling-house, and

"(b) nothing in this section shall apply to the sale of newspapers

"5.—(1) Where several trades or businesses are carried on in the same shop, and any of those trades or businesses is of such a nature that, if it were the only trade or business carried on in the shop, the shop would be exempt from the obligation to be closed on the weekly half-holiday, the exemption shall apply to the shop so far as the carrying on of that trade or business is concerned, subject, however, to such conditions as may be prescribed

"(2) Where several trades or businesses are carried on in the same shop, the local authority may require the occupier of the shop to specify which trade or business he considers to be his principal trade or business, and no trade or business other than that so specified shall, for the purpose of determining a majority under the Shops Regulation Acts, 1892 to 1911, be considered as carried on in the shop, unless the occupier of the shop satisfies the local authority that it forms a substantial part of the business carried on in the shop

"6.—(1) In places frequented as holiday resorts during certain seasons of the year the local authority may by order suspend, for such period or periods as may be specified in the order, not exceeding in the aggregate four months in any year, the obligation imposed by this Act to close shops on the weekly half-holiday

"(2) Where the occupier of any shop to which any such order of suspension applies satisfies the local authority that it is the practice to

allow all his shop assistants a holiday on full pay of not less than two weeks in every year and keeps affixed in his shop a notice to that effect the requirement that on one day in each week a shop assistant shall not be employed after half past one o'clock shall not apply to the shop during such period or periods as aforesaid.

(1) It shall be the duty of every local authority to enforce within their district the provisions of the Shops Regulation Acts 1892 to 1911 and of the orders made thereunder and for that purpose to institute and carry on such proceedings in respect of failures to comply with or contraventions of those Acts and the orders made thereunder as may be necessary to secure the observance thereof and to appoint inspectors and an inspector so appointed shall for the purposes of his powers and duties have in relation to shops all the powers conferred in relation to factories and workshops on inspectors by section one hundred and nineteen of the Factory and Workshop Act 1901 and that section and section 1 of the same Act shall apply accordingly and an inspector may if so authorised by the local authority institute and carry on any proceedings under this Act on behalf of the authority.

(2) In this Act the expression "local authority" means—
as respects the City of London the common council

as respects any municipal borough the council of the borough

as respects any urban district with a population according to the returns of the last published census for the time being of twenty thousand or upwards the district council

elsewhere the county council

and the same local authorities shall be the local authorities for the purposes of the Shop Hours Act 1904 and shall, in so far as they differ from the local authorities specified in that Act, be substituted for those local authorities.

Provided that a county council may, with the approval of the Secretary of State, make arrangements with the council of an urban district in the county with a population of less than twenty thousand or with the council of a rural district for the exercise by the council of that district as agents for the county council on such terms and subject to such conditions as may be agreed on of any powers of the county council under the Shops Regulation Acts 1892 to 1911 within the district and the council of the district may, as part of the agreement, undertake to pay the whole or any part of the expenses incurred in connection with the exercise of the powers delegated to them and the London county council may, with the like approval, make similar arrangements with the council of any metropolitan borough.

(3) The expenses of a local authority under the Shops Regulation Acts 1892 to 1911 (including any expenses which a council undertake to pay as aforesaid) shall save as otherwise expressly provided by this Act be defrayed—

in the case of the common council of the City of London out of the general rate

in the case of the council of a borough out of the borough fund or borough rate

in the case of a district council as part of the general expenses incurred in the execution of the Public Health Acts

"In the case of a county council as expenses for special county purposes

in the case of a metropolitan borough council as part of the expenses of the council

(4) If a shop assistant is employed contrary to the provisions of this Act or is not allowed times for meals as required by this Act the occupier of the shop shall be guilty of an offence against this Act unless in the case of a shop assistant employed after half past one o'clock in contravention of this Act he proves that the shop assistant was employed merely for the purpose of serving a customer whom he was serving at that time or that time coincided with the time of the closing of the shop and that the shop assistant was employed in reply for the purpose of serving customers who were in the shop at that time.

(5) If a shop is kept open on the weekly half holiday the occupier of the shop shall be guilty of an offence against this Act.

Provided that the occupier of a shop shall not be guilty of an offence against this Act when a customer is served at any time at which the shop is required to be closed if he proves either that the customer was in the shop before the time when the shop was required to be closed or that there was reasonable ground for believing that the article supplied to the customer was required in the case of illness.

(6) If the occupier of a shop contravenes or fails to comply with any of the other provisions of this Act or the order made thereunder he shall be guilty of an offence against this Act.

(7) Where an offence for which the occupier of a shop is liable under the Shops Regulation Acts 1892 to 1911 has in fact been committed by some manager, agent, servant or other person the manager, agent, servant or other person shall be liable to the like penalty as if he were the occupier.

(8) A person guilty of an offence against this Act shall be liable to a fine not exceeding—

(a) in the case of first offence one pound

(b) in the case of a second offence five pounds and

(c) in the case of a third or subsequent offence ten pounds

(9) The provisions of the Shops Regulation Acts 1892 to 1904 relating to offences and proceedings shall apply as if re-enacted in this Act and in terms made applicable thereto and as if references to the occupier of a shop were substituted for references to the employer of a young person.

(10) All fines imposed in any proceedings instituted by or on behalf of a local authority in pursuance of their powers and duties under the Shops Regulation Acts 1892 to 1911 shall be paid to the local authority and carried to the credit of the fund out of which the expenses incurred by the authority under those Acts are defrayed.

9—(1) Any order made by a local authority under the Shops Regulation Acts 1892 to 1911 may be proved by the production of a copy thereof certified to be a true copy by a person purporting to be the clerk of the local authority by whom the order was made.

(2) Any order made by a local authority

under this Act may, unless otherwise provided by this Act, be revoked by an order made in the like manner and subject to the like approval as the original order

"10.—(1) Where post office business is carried on in any shop in addition to any other business, this Act shall apply to that shop subject to the following modifications—

"(a) If the shop is a telegraph office, the obligation to close on the weekly half-holiday shall not apply to the shop so far as relates to the transaction of post office business thereat.

"(b) Where the postmaster general certifies that the exigencies of the postal service require that post office business should be transacted in any such shop at times when under the provisions of the Act relating to the weekly half-holiday the shop would be required to be closed, or under conditions not authorised by this Act, the shop shall, for the purpose of the transaction of post office business, be exempted from the provisions of this Act to such extent as the postmaster general may certify to be necessary for the purpose

"Provided that in such cases the postmaster general shall make the best arrangements that the exigencies of the postal service allow with a view to the conditions of employment of the persons employed being on the whole not less favourable than those secured by this Act

"(2) Save as aforesaid, nothing in this Act shall apply to post office business, or to any premises in which post office business is transacted

"11. Nothing in this Act shall prevent customers from being served, at a time when the shop in which they are sold is required to be closed, with victuals, stores, or other necessities for a ship, on her arrival at or immediately before her departure from a port

"12. Nothing in this Act shall apply to any fair lawfully held or any bazaar or sale of work for charitable or other purposes from which no private profit is derived

"13.—(1) Section 10 of the Shop Hours Act, 1892, which provides for the exemption of members of the occupier's family and domestic servants from the provisions of that Act, shall cease to have effect, except so far as it relates to persons wholly employed as domestic servants

"(2) The provisions of this Act with respect to the allowance of intervals for meals shall not apply to a shop, if the only persons employed as shop assistants are members of the family of the occupier of the shop maintained by him and dwelling in his house"

SCHEDULES. FIRST SCHEDULE INTERVALS FOR MEALS

"Intervals for meals shall be arranged so as to secure that no person shall be employed for more than six hours without an interval of at least twenty minutes being allowed during the course thereof

"Without prejudice to the foregoing provision—

"(1) Where the hours of employment include the hours from 11 30 a.m. to 2 30 p.m., an interval of not less than three-quarters of an hour shall be allowed between those hours for dinner, and

"(2) where the hours of employment include the hours from 4 p.m. to 7 p.m., an interval of not less than half-an-hour shall be allowed between those hours for tea,

and the interval for dinner shall be increased to one hour in cases where that meal is not taken in the shop, or in a building of which the shop forms part or to which the shop is attached

"Provided that an assistant employed in the sale of refreshments or in the sale by retail of intoxicating liquors need not be allowed the interval for dinner between 11 30 a.m. and 2 30 p.m., if he is allowed the same interval so arranged as either to end not earlier than 11 30 a.m. or to commence not later than 2 30 p.m., and the same exemption shall apply to assistants employed in any shop on the market day in any town in which a market is held not oftener than once a week, or on a day on which an annual fair is held"

SECOND SCHEDULE

TRADES AND BUSINESSES EXEMPTED FROM THE PROVISIONS OF THIS ACT AS TO WEEKLY HALF-HOLIDAY

"The sale by retail of intoxicating liquors

"The sale of refreshments, including the business carried on at a railway refreshment room

"The sale of motor, cycle, and air-craft supplies and accessories to travellers

"The sale of newspapers and periodicals

"The sale of meat, fish, milk, cream, bread, confectionery, fruit, vegetables, flowers, and other articles of a perishable nature

"The sale of tobacco and smokers' requisites

"The business carried on at a railway bookstall on or adjoining a railway platform

"The sale of medicines and medical and surgical appliances

"Retail trade carried on at an exhibition or show, if the local authority certify that such retail trade is subsidiary or ancillary only to the main purpose of the exhibition or show"

The Act applies with certain modifications, which need not be specified here, to Scotland and Ireland

Only experience can prove the full value of this Act, though it is a great advance upon its predecessors

SHORT BILLS.—These are bills of exchange which are left with a banker for the purpose of collection, and not for discount. The expression is said to be derived from the fact that it was the custom to enter bills left for collection in an inner column of the customer's account or pass book, *i.e.*, in a column "short" of the one in which the amounts were entered when actually credited to the customer. It is often incorrectly supposed that the term "short" has reference to the currency of the bill. In point of fact, however, a bill which has a considerable time to run before maturity, say, twelve months, if left for collection is still known as a "short bill"

Short bills, although deposited with a banker, remain the property of the customer, subject to any lien which the banker may have from any liability of the customer to him

SHORT-DATED PAPER.—Bills of exchange which are drawn for a short period, not exceeding three months after date

SHORT EXCHANGE.—This is a term used in

connection with the foreign exchanges (*qv*) and denotes bills at sight and those having a currency up to eight or ten days after sight.

SHORTHAND.—The system of shorthand writing invented and perfected by Sir Isaac Pitman (1813-1897) under the distinctive name of Phonography has come into such general use that it is employed almost as freely as ordinary longhand for written communications and announcements of various kinds. Two illustrations may be furnished in substantiation of this statement: many others could be given. By more than one large insurance company the correspondence between the head office and its local representatives is conducted in Pitman's shorthand thereby saving much time and effort as compared with longhand or even with typewriting. Business and other advertisements in the characters of Pitman's Shorthand have been familiar objects for at any rate the past quarter of a century. These announcements are designed to arrest popular attention and to be generally read and unfamiliar characters would defeat the object of the advertisers. The obvious meaning of such facts as these is that Phonography is recognised on its merits and also from its universality, as one of those standard modern methods which are in general use in daily life and work. Indeed the shorthand writing work of the British Empire in association with authorship, journalism, the professions, commerce and official life is performed almost entirely through the medium of the Pitmanic method.

It is obvious therefore that Phonography has proved its capability for every use to which the stenographic art is put. The further claim can be made for it and fully substantiated that it can be written with a greater speed combined with perfect legibility than any other system—old or new. Obviously the supreme test of a system of shorthand is the success with which it can be written at the high speeds needed to commit to the note book a verbatim record of the most rapid utterances of the orator or the advocate. There are well authenticated instances of complete records of legal arguments having been secured by means of Pitman's Shorthand at the rate of 220 words per minute and of pulpit oratory at the rate of 213 words per minute. Under a rigorous Civil Service test in the United States of America this system has been written absolutely without error in a test dictated at the rate of 200 words per minute. Special aptitude together with assiduous practice are indispensable elements in efforts such as have just been described but anyone of average attainments and perseverance can use the system at rates from 120 to 150 words per minute and this suffices for everyday shorthand work of various kinds of which commercial and legal office note taking are perhaps the largest fields of labour.

It was in fact in association with Pitman's Shorthand that an entirely new use of the art originated in the middle of the last century namely the dictation of commercial and legal letters and documents to shorthand clerks. Railway offices were the first in which the innovation was introduced the pioneer in the practice just mentioned having been Sir Edward Watkin. The example set by railway officials was largely followed in legal offices but it was not until the introduction of the typewriter in the last two decades of the nineteenth century that the practice became general of dictating commercial letters to a shorthand writer which were afterwards transcribed on the writing

machine. In some instances principals or business heads draft their communications and statements in shorthand for transcription on the typewriter by their assistants and this method has several obvious advantages. The shorthand draft lies before its author and can be easily amended or added to at a point of some value where exactitude of form or statement is specially aimed at. This method has been adopted by well known official and literary men. The saving of time and effort in using shorthand for making a draft is very considerable.

A system of shorthand of such general utility to all who use the pen has the further advantage of being by no means difficult to learn while the acquirement of manual dexterity like the attainment of proficiency in the use of a musical instrument is dependent on the time and attention devoted to practice for speed. The distinctive characteristics of Sir Isaac Pitman's Phonography are the following: (1) Its basis is phonetic it is founded on the alphabet of nature and not on the Roman alphabet (the familiar A B C etc). The former alphabet in the words of Max Müller comprehends the thirty-six broad typical sounds of the English language and assigns to each a definite sign. The consonants (as will be seen below) are arranged in a new order which Herbert Spencer has termed the most philosophical mode of arrangement. The vowels are arranged in scales. (2) The alphabet of Phonography consists of the simplest geometrical signs in the form of straight strokes and curves and dots and dashes. (3) The abbreviating devices are in the shape of simple and systematic additions—circles loops and hooks—to the consonant strokes or stems. (4) All the most common words in the language are provided with specially brief forms which are easily memorized because they are naturally evolved from the alphabet of the system. (5) Groups of common words (phrases) are written by joining the respective signs for each without lifting the pen thus effecting considerable saving of time and effort. (6) While Phonography when written fully in what is termed the Corresponding Style represents with perfect exactitude and unmistakably every sound heard in the pronunciation of any word in the language the shortened form designated the Reporting Style is abbreviated for the most rapid work on a basis which ensures the greatest possible legibility. It is in fact not an unusual practice for one writer of the method to transcribe the notes of another.

The system invented by Sir Isaac Pitman is termed Phonography (from *phōnōs* voice and *graphō* writing) and is a method of representing spoken sounds by written signs the term also indicates the style of writing in accordance with this method. The art of Phonography is based on the science of Phonetics which treats of the different sounds of the human voice and their modification. The style of spelling employed in Phonography is therefore termed Phonetic to distinguish it from the common style as used in this book which is termed Roman. Practitioners of the art are known as phonographers.

The system of Phonography is based on an analysis of the English spoken language. The consonant and vowel sounds with the symbols assigned to them are so arranged as to indicate as far as possible their mutual relations. In the grouping of the consonants for example their characters follow the order of the oral movements from the

lips backward, in the utterance of the respective sounds, nasal and other sounds which are not included in this classification are placed at the end. The following table shows the signs employed in Phonography for the consonants—

Consonants.

| Names | | Names | |
|----------------|------------------|-------------|-----------------|
| pec P | as in rope | ef F | as in safe |
| bee B | „ robe | vee V | „ save |
| tee T | „ fate | uth TH | „ wreath |
| dee D | „ fade | thee TH | „ wreath |
| chay CH | „ etch | es S | „ hiss |
| jay J | „ edge | zee Z | „ his |
| kay K | „ leek | ish SH | „ vicious |
| gay G | „ league | zee ZH | „ vision |
| em M | as in seem, en N | as in seen, | |
| ing NG | as in sing; | | |
| el L | as in fall, ar R | ray R | as in for, ray, |
| way W | as in wait, | yay Y | as in yawl, |
| Aspirate hay H | as in hope, high | | |

It will be noted that the first sixteen consonants form pairs, represented by similar strokes. While the articulation of these pairs is the same, the sound is *light* in the first and *heavy* in the second consonant of each pair, and this distinction is indicated in these characters by writing them *thin* and *thick* respectively.

The second great division of vocal sounds consists of those known as vowels. Phonetic analysis shows that in the English language these may be grouped in two sets of six long and six short vowels, in order that the pronunciation of spoken language may be accurately and unmistakably indicated in Phonography. Here, again, the arrangement of the characters in what is termed the vowel scale is determined by the order of their utterance by the vocal organs, ranging from the most open to the most closed sound. The representation adopted in Phonography indicates better than any other arrangement could the organic difference between consonants and vowels. To take an illustration from the human body, the consonants may be compared to the skeleton and the vowels to the flesh. Words are written in Phonography by the geometric consonant skeleton, the vowels being filled in in the form of detached signs. The method will be readily understood from the table of vowels and examples of words written in Phonography.

Vowels.

The following are the Long Vowels, the *heavy* dot or dash being distinguished by its position at the beginning, middle, or end of the consonant stroke

| | | | |
|---|----|---|----|
| 1 | ah | 1 | aw |
| 2 | eh | 2 | oh |
| 3 | ee | 3 | oo |

Below are examples of the combinations of consonants and vowels in words—

pa, balm, aid, day, dame;
key, eke, teak, teach.

The corresponding Short Vowels in Phonography are indicated by a *light* dot or dash, the scale being as follows—

| | | | |
|---|---|---|----|
| 1 | a | 1 | o |
| 2 | e | 2 | u |
| 3 | i | 3 | oo |

Below are examples of the employment of the short vowels in words—

at, tack, egg, deck, if,
tick, or, rock, us, tub;
took, look

Provision is made in Phonography for the representation of diphthongs, or double vowels, by the use of detached signs either angular or semi-circular in shape. These diphthongs are shown below, with illustrations of their use—

i as in time; ow as in owl,
oi as in toil, u as in tube

The triphthong *wi* is represented by the sign *wi* as in *wide*, *wife*. The principle has been still further developed by the use of a scale of signs for indicating the coalescence of the simple vowels with *w* and *y* respectively, as follows—

| | | | | |
|-----|----|-----|-----|-----|
| wah | wa | waw | yah | yaw |
| weh | we | wow | yeh | yoh |
| wce | wi | woo | yee | yoo |

Even a cursory study and use of the phonographic alphabet will demonstrate the fact that, except for monosyllables, the employment of strokes for consonant sounds must result in long and unwieldy outlines for words of average length, which contain more than from two to three consonants, words containing from five to six or seven consonants and upwards being common in all kinds of English composition. This difficulty is overcome in Phonography by the employment of a series of devices of which the principal are here described, with illustrations of their use.

The consonants *s* and *z* are represented, in addition to the strokes in the table of consonants, by a small circle, thus *o s*, which can be written initially, medially, or finally to stroke consonants, thus *sum*, *face*, *tash*, *chasm*. A large initial circle represents *sw* as in *swim*. When used medially or finally, the large circle represents *ss* or *sz* as *(ses) necessity*, *(sez) causes*.

The frequently occurring consonant combination of *st*, at the beginning of a word, or medially, and of *st* or *zd* at the end, is represented by a loop half the length of the stroke, thus, *stake*, *taste*, *tasting*, *dazed*. The combination *str*, when it occurs medially or finally, is indicated by a larger loop, as in *master*, *masterpiece*.

The addition of hooks to the alphabetic consonant strokes has been reduced in Phonography to a system easily and invariably applied, the following being a short summary of this method of abbreviation. The fact that *l* and *r* blend closely with other consonants is thus indicated in Phonography. A

were made members of that body. And now every summons before the Court of Session must be signed on the last page by a writer to the signet, who is bound to sign every summons presented to him upon payment of two shillings and sixpence. For a long period after the establishment of the College of Justice, the writers were not allowed to act as solicitors in the Court of Session. But this prohibition was removed more than two centuries ago, and the writers now occupy the highest rank of the profession. Admission to membership of the legal society is obtained by a five years' service of apprenticeship, though this is reduced to three years if the apprentice is a university graduate, just as there is a reduction in England of the time of service of a prospective solicitor who has graduated. There are, naturally, various examinations to be passed and fees to be paid. The particulars as to these can be obtained on application in Edinburgh.

SILK.—The most lustrous and most beautiful of all textile fabrics. It is woven from the strong, soft fibre obtained from the cocoon of the silkworm. The manufacture was introduced into Europe from the East during the sixteenth century, and since that time France and, to a smaller extent Italy have been the chief centres of the silk industry, the climate of these countries being favourable to the growth of the mulberry tree, on which the chief silk-producing moth, the *Bombyx mori*, lives. Lyons is particularly noted for its silk goods, of which Great Britain is a large importer, but the chief supplies of silk for European and American consumption still come from Japan, China, and India, particularly the light fawn variety, known as *tussore* or *tussur* silk, which is the product of the tussur worm. Spun silk is the material prepared from the silky waste left on the cocoon after the completion of the winding process. There are numerous imitation silks on the market.

SILKWORM GUT.—A strong material, consisting of glutinous threads formed by the secretion of the silkworm. It is obtained by soaking the caterpillars in vinegar and pulling them apart. The threads are then stretched and sun-dried. Silkworm gut is still imported to some extent from China, but the chief supplies are derived from Spain and Italy. It is used by anglers for dressing the hook-end of the fishing line.

SILVER.—A white, metallic element of brilliant lustre. It sometimes occurs native, but is frequently combined with other substances, e.g., with chlorine, thus forming horn silver, and with sulphur thus forming silver glance. It is also often present in galena (q.v.) and in copper pyrites. Silver is found in Spain, Austria, Germany, and in the Isle of Man, but the chief silver-producing countries are the United States and Mexico, which supply about two-thirds of the whole amount. The output of Australia is also considerable. Silver is malleable and ductile, and like gold, can be beaten into very thin leaves, and drawn into fine wire of great tenacity. In hardness it is intermediate between gold and copper. Its specific gravity is 10.5. Silver exceeds all other metals as a conductor of heat and electricity, and is consequently much used in the manufacture of delicate electrical instruments. In addition, it is extensively employed, either solid or as a plating, for spoons, forks, dessert knives, eating dishes, backs of brushes, camera plates, frames, and other ornamental and useful articles of every sort and kind. Of the silver salts silver nitrate is the chief

This is much used in the preparation of other compounds, e.g., silver chloride, bromide, and iodide, which are employed in photographic processes.

SILVER CERTIFICATES.—These are issued by the Treasury of the United States, and form a part of the paper currency of that country. The smallest denomination is one dollar. These certificates are payable in silver, but they are not legal tender, except in the case of payment of duties and taxes.

SILVER COINS.—The British silver coins are: Crown, Double Florin, Half-crown, Florin, Shilling, Sixpence, Groat, Threepence, Twopence, and Penny. The Groat, Twopence, and silver Penny are now only coined in very small quantities as Maundy money (q.v.).

All silver coins are a legal tender only up to the amount of forty shillings. This is because they are only tokens, that is, the value of the silver contained in the coins is less than the legal value which is attached to them. Unlike gold coins, there is no weight fixed below which silver coins cease to be legally current.

Where a bank has an accumulation of silver which it cannot get rid of to its own customers or to another bank, it may be taken to the Bank of England. A charge of 5s per cent is usually made by the Bank for taking quantities of silver.

In banks silver coins are generally stored in paper bags with the name of the bank and the branch where they are used printed thereon. On each bag is also clearly printed £5, £10, or £20, as the case may be, and the bags may be obtained with perforations so that the contents may be visible without the necessity of opening them. For sums of £50 paper bags are sometimes used, but canvas bags are more suitable. Stocks of sixpences and threepenny pieces are often kept in small envelopes or packets containing 10s or £1 in each. Paper bags containing silver are usually of a different colour from the bags containing copper, to prevent mistakes in paying away (See COINAGE.)

SINARUBA.—The bitter bark of the *Sinaruba amara*, a tropical tree of the same family as the quassia (q.v.). A drug is obtained from it which is useful as a tonic. It resembles quassia, and is often used as a substitute for it.

SINGAPORE.—Singapore is an island about 27 miles by 14 in extent, forming part of the Straits Settlements, and has an area of about 206 square miles, and a population of 250,000, of whom only about 4,000 are whites. The island is situated at the southern extremity of the Malay Peninsula from which it is separated by a narrow strait about three-quarters of a mile in width. Incorporated with Singapore are Labuan Island (producing sago, beeswax, camphor, gutta-percha, indiarubber, rattan, tortoiseshell, and betel-nutmeg), Christmas Island (noted for phosphate), the Cocos-Keeling Islands, and some small adjacent islands.

The island has a low, and has a hot, damp, and unhealthy climate; the temperatures vary from 70° to 88° F., and the annual rainfall averages 85 in. The low-lying swampy land is dotted with a number of small hills, one of which rises to the height of 519 ft. Dense and impenetrable jungles occupy a large area, but in the cleared gambier pepper, and sunapples are cultivated.

Vegetation is profuse and man is forced to wage perpetual warfare with the jungle. Other agricultural products include rice sugar tobacco and tropical fruits. It is however as a commercial centre that Singapore is important and it owes its importance as a receiving and distributing centre to its excellent situation.

The town of Singapore (over 200,000) the capital of the Straits Settlements and the Coal hole of the East possesses a magnificent harbour which is absolutely free Commanding the important waterway of the Malacca Strait and having regular steam communication with Japan China the Malay Archipelago Australia India Europe (by the Suez Canal) and South Africa and Europe (by the Sunda Strait and Cape route) Singapore has risen to the position of a port of the first rank. Fifty regular steamship lines converge upon it from the west east and south and as an entrepôt it is the chief in the Far East. Ships drawing 36 ft of water can be accommodated in its harbour and there are shipbuilding yards and facilities for repairing ships. Tin from the Malay Peninsula is largely smelted at Singapore. Singapore is an important naval and military as well as a coaling station. Its importance will be greatly decreased if the Kra Canal is ever constructed. The trade of Singapore—passing transit and actual—amounts to many millions sterling. There are good roads in the island and the usual means of transport about the country consist of rickshaws bullock carts and pony gharrys. From Singapore town a railway runs to Woodlands opposite Johore and a steam ferry connects with the mainland. The leading imports of which a vast quantity is re-exported are tin (the most important) cotton goods opium rice tea coffee tobacco hardware gambier pepper gums rattans sago tapioca cigars copper hardware coal petroleum and spices. The main exports of the island itself are spices gambier gums tapioca, sago rattans and copra.

Mails are despatched every Friday via Italy. The time of transit is about twenty-one days.

For map see EAST INDIES page 568.

SINGLE ENTRY BOOK KEEPING—The name usually given to all systems of book keeping which are not carried to a sufficient finality to afford a complete double entry and so called from the fact that provision is not made for the raising of nominal ledger accounts or if provision is made advantage is not taken of the same. Hence as the items appear on one side of the accounts only a balance cannot be effected. A day book is usually kept for the sake of convenience and the debtors accounts raised by posting therefrom but its total if made is not brought into account. No purchases book is kept the creditors accounts being raised by entering direct to the ledger from invoices. The cash book may be provided with bank and cash columns or with one column only, amounts received from debtors and paid to creditors being posted to the respective accounts. The discount columns are usually omitted and if provided are not often totalled. Ledger accounts are often opened for the purpose of keeping a record of fixed assets. On balancing debtors creditors fixed assets and cash and bank balances are therefore as ascertainable from the books. Stock is valued in the usual way and as a statement of liabilities and assets (commonly known as a statement of affairs) may be prepared. The balance of which is the capital at date. Should it be desired to ascertain the profit or loss made

this may be done by taking the capital shown by the statement of affairs adding drawings during the period and deducting the capital shown by the previous statement of affairs and amounts introduced during the period. The disadvantages of single entry book keeping will be apparent by a consideration of the advantages of double entry (q.v.).

SINKING FUNDS—By the term Sinking Fund is implied an amount which is annually set aside out of revenue and invested with the interest accruing to provide at a future date for the redemption of a loan or a series of debentures or for repaying the gradual shrinkage in value by exhausting the known profit bearing resources of a mine or similar undertaking the object of retaining and sustaining such a fund being to provide a given sum at a date when for instance debentures have to be redeemed or when a mine ceases to be profitable to repay the capital taken up for the purpose of operating it.

It is important to note that in contrast to setting aside a reserve out of revenue the establishment of a sinking fund demands also that in addition to finding a given amount from profits it becomes necessary actually to invest a sum of money in appropriate securities which can be depended upon to yield the rate of interest determined in other words the profits appropriated for the purpose must find material shape in the form of cash. It is not essential to examine the yield on investments from year to year as they are made because if it is found that this yield is falling short of anticipations a corresponding increase in the annual amount appropriated and invested must be made in order to secure the amount required at the stated time.

Calculation. There can be little doubt that a sinking fund is much more frequently resorted to for the purpose of redeeming a series of debentures or for the repayment of a loan by a corporation than for any other purpose though in cases where a business enjoys the advantage of a valuable lease hold it is frequently thought desirable to employ this means of providing for the value paid for the lease when it expires rather than adopt the alternative of taking out a policy of insurance on the endowment principle. The Sinking Fund is the preferable plan to adopt inasmuch as an endowment policy only offers a surrender value for the amounts against premiums paid in the earlier stages of the contract whereas the investments made and the interest accrued thereon are or should be realisable to the extent of the amount represented in the books of the concern at whatever stage in the period over which the fund is to operate. Some insurance companies of undoubted repute offer good terms for such business. It will consequently be advisable to make inquiries from suitable companies and compare the advantages to be derived from both propositions. One or two well known concerns undertake the return of the premiums paid at any stage of the policy.

The method of computing the amount to be set aside annually at compound interest to provide a given sum in a given number of years can be obtained from any book of interest tables such as *Investments*. But if such a book is not immediately available the formula for arriving at the amount to be found annually to produce £1 in a stated time at compound interest is as follows. Where P is

amount to be raised, i = rate of interest, n = number of years—

$$\frac{I}{(1-i)^n - 1} = \text{amount per annum.}$$

If it is desired to know the annual increment to amount to £1 in 15 years at 3 per cent, this formula becomes—

$$\frac{1}{(1-03)^{15} - 1} = 0539 \text{ or } \pounds 0539 \text{ per annum.}$$

The value of £1 being thus known, it merely becomes necessary to multiply that value by the amount it is desired to raise, assuming the amount required in 15 years at 3 per cent is £50,000, the yearly instalments required for investment will be £50,000 \times 0539 = £2,695, or approximately £2,700, which for practical purposes would be the amount decided upon.

Treatment in Accounts. Operations connected with the books of account in connection with such matters are somewhat out of the usual routine, and the requisite entries needed to record the transactions from year to year demand the closest and most careful attention. The first step so far as the books are concerned will be the appropriation of the annual increment from revenue, either from the revenue account itself, if so termed, the profit and loss account, or the profit and loss (appropriation) account—most probably the latter. This is made in the form of a journal entry, viz—

Journal

| | £ | s | d | £ | s | d |
|--|-------|---|---|-------|---|---|
| Profit and Loss (Appropriation) A/c. Dr. | 2,700 | 0 | 0 | | | |
| To Sinking Fund A/c | | | | 2,700 | 0 | 0 |
| for amount appropriated as per Board minute, No 999, dated April 1st, 19 | | | | | | |

This will create a liability to appear on the balance sheet below the debentures or loan it is desired to redeem. The cash book entries will be—

Cash Book

| | £ | s | d | | £ | s | d |
|----------------------|----|---|---|-------------------------------|-------|---|---|
| To Interest— | | | | By £2,700 3 % | | | |
| Blanktown Loan | 76 | 5 | 6 | Blanktown Corporation loan at | | | |
| (less tax £4 14s 6d) | | | | par | 2,700 | 0 | 0 |
| | | | | (Invested as cover | | | |
| | | | | for Sinking Fund, | | | |
| | | | | minute No 599) | | | |

The payment to credit of cash account will be repeated each year, plus the gross amount of interest received at the end of the year (in the above case, £81). From these cash book entries, Investments (Sinking Fund) Account will be debited as yearly investments are made, whilst interest account is credited with interest received. From the interest account the yield must be transferred to Sinking Fund, and, in addition, income tax account must be debited thus—

| | £ | s | d | £ | s | d |
|------------------|----|----|---|----|---|---|
| Interest Account | 76 | 5 | 6 | | | |
| Income Tax | 4 | 14 | 6 | | | |
| To Sinking Fund | | | | 81 | 0 | 0 |

From this, the second year's amount to be invested will be the annual contribution (£2,700) and the gross yield (£81), or £2,781, and so on from year to year till the close of the period, when, if the yield has been maintained, the fund will provide a slight amount in excess of that required, which can be credited to profit and loss.

Effect of, in Balance Sheet: Three items in the balance sheet will be concerned, in any scheme involving the operation of a Sinking Fund, whilst the operation is in progress and until the debt, which it is desired to extinguish, has disappeared. When the fund is brought to fruition, two liabilities will figure in the statement of affairs as against one as an asset, thus, when the fund has accumulated—

Balance Sheet

| | £ | s | d | | £ | s | d |
|--------------|--------|---|---|----------------------|--------|---|---|
| Debentures | 50,000 | 0 | 0 | By Investments | | | |
| Sinking Fund | 50,000 | 0 | 0 | against Sinking Fund | 50,000 | 0 | 0 |

When the debentures are to be redeemed, the investments are realised in order to pay out the debenture holders, so that both the liability under the title of debentures and the assets represented by that investment disappear, but the liability "Sinking Fund" remains. The usual practice is to convert this into a special reserve, which, indeed, it actually is. Assuming the affairs of the concern to have been well maintained and safeguarded, the position should be such a one as would leave the assets preponderating over liabilities to the extent of the amount represented by the reserve, in any event, the object for which the Sinking Fund was started would have been achieved.

SINKING FUND INSURANCE.—Where property is of a diminishing value, as, for example, where it consists of land held upon a lease, the lessee will sometimes take out a sinking fund policy by means of which he will become entitled to a capital sum of money when the lease is determined. In some companies, such a policy has, after it has been in existence for two years, a surrender value equal to the whole of the premiums paid after the first year, accumulated at 3 per cent compound interest, less 7½ per cent.

SISAL HEMP.—The strong, glossy fibre obtained from a species of agave (*qv*) growing in Mexico. It is used for cordage, and is exported chiefly from Yucatan to the United States.

SISSOO WOOD.—The hard, durable wood of an Indian tree of the rosewood family, the *Dalbergia Sissoo*. Like rosewood (*qv*), it is used in furniture making.

SIXPENCE.—A silver coin in value equal to one-fortieth part of a pound. Its standard weight is 43.63636 grains troy, and its standard fineness thirty-seven fortieths. The coin has been current since 1551. (See COINAGE.)

SIZL.—A sort of glue, variously composed of linseed oil, red lead, vermilion, etc., mixed with turpentine, and used by house-painters, paper-makers, gilders, etc.

SKEPPE, SKEPPER.—(See FOREIGN WEIGHTS AND MEASURES—DENMARK.)

SKIONIS.—(See FOREIGN WEIGHTS AND MEASURES—GREECE.)

SKIPPING.—This is a Custom House term which signifies the transferring of goods from one package to another for the purpose of ascertaining the tare (*qv*) of the package.

SKUNK.—A carnivore of the weasel family.

in many parts of the United States and valued for its use which is sometimes fraudulently sold as Alaska slate. A large variety is found in Mexico.

SLAG.—The mixture of ashes forming the refuse of smelting works, glass foundries, etc. It was once considered useless, but is now employed for a number of purposes, as in the nature of its origin. The largest quantity is obtained in the smelting of pig iron. Some of this is of a semi-tran parent character and is used for building and paving roads. Other varieties are employed for cement and as manure. For the former purpose lime is a necessary constituent and for the latter phosphorus, and must be present to the extent of about 12 per cent. If the action of steam slag may be made into a fibrous substance known as waste cotton, which is a bad conductor of heat and sound and is therefore useful for covering boilers and filling up spaces between adjoining rooms.

SLANDER.—(See DEFAMATION.)
SLANDER OF PATENT.—(See SLANDER OF TITLE.)

SLANDER OF TITLE.—This is a tort (yr) which consists in a false statement imputing the title of a person to any property real or personal either by word of mouth or by writing. To recover however that an action may succeed the plaintiff must prove three things: (1) that the statement was made maliciously or not in good faith; (2) that the plaintiff has suffered special damage by reason of the slanderous statement; and (3) that the statement made is false. The term was once confined to statements made with reference to real property, but it has been extended so as to cover trade labels or sundries.

Slander of title as above stated applies to all kinds of property, e.g. patents, copyrights, etc. And as far as patents are concerned this has been specially recognized by section 94 of the Patents and Designs Act 1907, which is as follows: "Where any person claiming to be the patentee of an invention by circulars, advertisements or other wise threatens any other person with any legal proceedings or liability in respect of any alleged infringement of the patent, any person aggrieved thereby may bring an action against him and may obtain an injunction against the continuance of such threats and may recover such damage (if any) as he has sustained thereby, if the alleged infringement to which the threats related was not in fact an infringement of any legal rights of the person making such threats—"

Provided that this action shall not apply if the person making such threats with due diligence commences and prosecutes an action for infringement of his patent.

SLATE.—A fine grained clay like rock which easily splits up into thin sheets. There are slate mines in various parts of Central Europe and also in the United States and Canada, but the chief supplies are obtained from North Wales. Other slate producing centres in the British Isles are Cornwall, the Lake District and various places in Scotland and Ireland. Slate is usually grey or dull blue in colour, but it may be green, purple or black, and a red variety is found in Quebec. Slate is both light and durable and is therefore greatly in demand for roofing purposes. Tables, chairs and certain so-called blackboards are made of the larger thick slabs and when these are polished and enamelled they are used for imitation marble

mantelpieces and architectural panels. Slate pencils are made by pressing from moist slate powder or are cut from wet slate and afterwards turned.

SLAUGHTER HOUSE.—In a very long period and for a great many reasons it has been necessary to place statutory restrictions upon the use of places for slaughtering animals. Originally these restrictions were imposed with the object of putting difficulties in the way of stealing horses and cattle. Still animals were frequently brought a long distance from the owner's stable or farm taken to a knacker's yard or slaughter house to be killed and their carcases were disposed of at the best price obtainable. But it frequently happened that instead of the animals being killed they were sold at a low price, the purchaser of an animal at a knacker's yard always expecting to pay very little more than the price of a calf for the retail price. It frequently happened also that unscrupulous keepers of slaughter houses instead of killing the old, decrepit and diseased animals, left them to rot for that purpose, allowed them to live in spite of their suffering and pain and compelled them to work simply because it was easy to find a purchaser who would pay more for the live animal than for the carcass. Accordingly no person was allowed to keep any place or house for the purpose of slaughtering or killing any horse or sheep, pig, goat or other cattle (not intended for butcher's meat) without first obtaining a licence and the licensee was bound to have his name upon over his premises and keep proper books containing entries of all the cattle brought to be killed.

Further, all horses and other cattle had to be killed within three days of coming to the licensed premises and in the meantime they had to be provided with proper food. If a person had a licence to slaughter horses he could not at the same time hold a licence to deal in horses. Licences to keep knacker's yards are renewable every year and existing licences can be cancelled for breaches of the statutory regulations. (By a knacker is meant a slaughterer of animals not for human food.)

Prior to the year 1847 there were no statutory regulations for the slaughter of animals for human food. In that year power was given to license certain slaughter houses and knacker's yards and to prohibit the opening of any new slaughter house without a licence being previously obtained and all existing slaughter houses were required to be registered. By laws were also made to ensure cleanliness and prevent cruelty. No slaughter house may be erected within 100 ft. of a dwelling house and there must be free ventilation by direct communication with the external air on two sides at least. No part of the slaughter house may be below the ground level, the approach to it may not be on an incline of more than one in four and may not be through any dwelling house or shop. It must be well paved and drained and thoroughly ventilated. No water-closet, privy or cesspool may be constructed within it. All animals must be killed in such a way as to avoid unnecessary suffering. As a rule they must be stunned or otherwise rendered unconscious before blood is drawn, but an exception is made to this rule with regard to a painful method of killing animals intended for the food of Jews, provided the animal is killed according to the Jewish method of slaughtering, i.e. a slaughterer who is duly licensed by the Chief Rabbi. The animals awaiting slaughter must be

spared as far as possible from any contact with the sights or smells of the slaughter-house. The waiting pens must be separated from the slaughter-chamber, which should be shut off by sliding doors. The pitch of the floor in, and the drainage of, the slaughter-chamber should be away from and not in the direction of the waiting pens. Care must be taken to prevent the floor from becoming slippery. Cattle should be slaughtered screened off from their fellows, and after they have been killed and bled they should be moved on and "dressed" in an adjoining room screened off from the view of animals entering the slaughter-chamber.

All places used for the slaughtering of cattle or for the sale of butcher's meat are liable to inspection by duly appointed inspectors, who may seize and condemn as unfit for human food any carcass or part of a carcass found upon the premises.

It is an offence punishable by fine to slaughter cattle for human food in any place that is not a public or licensed or registered slaughter-house, but this prohibition does not apply to animals generally, but only to animals whose carcasses are intended to be sold for human food.

It is an offence to start a new business as a knacker. Existing businesses may be continued subject to compliance with the statutory regulations, but the penalty for establishing a new business is a fine not exceeding £50, and a similar fine is payable for every day during which it is carried on. It is also an offence, punishable with the same penalties, to establish without the sanction of the county council a new business as a slaughterer of cattle or horses.

SLEEPING PARTNER.—This is the member of the partnership firm who invests money in the business but takes no active share in its management. Such a partner is also called a "dormant partner." Although to a certain extent in the background, if the name of such a partner appears in the firm name, or if he holds himself out as a partner, he is equally liable with each of the working or active partners for the debts of the firm to the whole extent of his property. (See **PARTNERSHIP**)

In a limited partnership, a limited partner is a sleeping partner. (See **LIMITED PARTNERSHIP**)

SLIDING SCALE.—The principle of the sliding scale is one by which the rate of wages to be paid to a workman is fixed according to the rise or fall of the market value of the product of his labour. Roughly speaking, it provides for an automatic rise and fall of wages according to the difference in prices. An example will make this clear. Suppose a workman, who is paid upon the sliding scale system, agrees to accept 10s as a basis for producing a certain quantity of any commodity so long as it fetches 30s in the open market. He is paid at the rate of 33½ per cent. If the market price of the article in question rises to 37s 6d, i.e., 25 per cent, the workman's wages rise 25 per cent also, and he is paid 12s 6d instead of 10s. If, on the other hand, the price falls to 27s, i.e., 10 per cent, his wages are reduced by 10 per cent, and he is paid 9s instead of 10s. For many years the wages of the miners in various parts of the country, especially in South Wales, were regulated in this manner, but it now appears, especially since the passing of the Minimum Wage Act, 1912, that the principle, which has so much to recommend it, will not be heard of again for some time. (See **REMUNERATION OF WORKMEN, SCHEMES OF**)

SLINGING.—This is a term used in shipping at

various ports, to signify the charge made for putting the chains, ropes, etc., round the goods as they lie in craft alongside a ship, so that they are made ready for being hoisted on board. The charge for slinging is generally borne by the shipper of the goods.

SLIP.—The informal note or memorandum drawn up and passed between parties when a contract of marine insurance is being entered into. The term "covering note" is also used in the same connection. In order that the slip may have legal value as a promise to grant a policy, it must be initialled. Until this is done there is no contract concluded. Even after the stamped policy has been issued, the slip may be valuable as evidence to show (1) that there was in fact a contract, and (2) what were the terms of the same, in case any difficulty of construction arises. (See **MARINE INSURANCE**)

SLIP BOOK-KEEPING.—This is the system of book-keeping wherein the actual documents, or carbon copies of same, are utilised as a posting medium, instead of posting from entries made in the ordinary books of account. The system has been in use for a considerable period in banking concerns, where the paying-in slip or docket is first dealt with by the cashier so far as the impersonal entry is concerned, and then handed to the ledger clerk who makes the posting to the personal account.

The system particularly adapts itself to posting up the sales and purchases of a business. In the former case, the invoices are made out in duplicate by the use of carbon sheets, and the carbon copies given to the sales ledger clerk, who posts the amounts to the respective ledger accounts and folios the copies, which are then filed in any method which may be considered as affording most facility for reference, e.g., alphabetically, or numerically, the references entered in the ledger being the numbers of the slips. The impersonal entry is made by periodically totalling the slips themselves, or it may be, in the case of a business having several departments, by simply entering the amount of each slip in its particular departmental column in a book ruled for the purpose, and totalling daily or weekly, summarising these for total to sales account. Invoices for purchases are dealt with in a similar manner, after being checked and passed by a responsible person, and these are arranged and numbered to suit, or, in some cases, each invoice is numbered as received.

It may here be mentioned that loose leaf or perpetual ledgers, card ledgers, loose leaf work sheets, etc., are all variations of the slip system.

Among the advantages which the system possesses are: the greater facility of dealing with the work consequent upon its being more capable of being divided amongst several; the minimisation of error, by reason of intermediate entries being omitted, and the fact that the ledger accounts are posted from facsimile or original documents.

The disadvantages may be briefly summed up by saying that extreme care and method must be adopted to guard against either loss or substitution of the documents.

SLIPS.—Platforms sloping towards the water, upon which ships may be built, overhauled, or repaired.

SMALL AGRICULTURAL HOLDINGS.—The legislation relating to the provision of small agricultural holdings by local authorities, and the mode of their acquisition by certain classes of small

holders is contained in the Small Holdings and Allotments Act 1908 (8 Edw 7 c 36). The Act consolidates Acts covering the period from 1837 relating to Small Holdings and Allotments and the Act of 1908 also deals with both these descriptions of agricultural holdings. The law as to allotments will be found in the article under that title. In that article it was also mentioned that certain provisions of the Act common to both Allotments and Small Holdings could be treated in the present article.

A small holding by the definition in the Act means an agricultural holding which exceeds one acre and either does not exceed 50 acres or if exceeding 50 acres is at the date of sale or letting of an annual value for the purposes of income tax not exceeding £50 (As to AGRICULTURAL see titles AGRICULTURE and AGRICULTURAL HOLDINGS.)

At the passing of the Act there were already Small Holdings Commissioners two or more with the necessary officials appointed by the Board of Agriculture and Fisheries (see title). Their duty is to inquire and report under the Board as to the demand for small holdings in the counties or what demand there might be if suitable land were available and the extent to which it is reasonably practical to satisfy the demand. They are to confer with all such authorities or persons as may be of assistance and take all necessary steps.

1. **Provision by County Councils of Small Holdings.** A County Council which includes the Council of a County Borough if of opinion that there is such a demand as justifies them in putting the Act in operation may provide small holdings for persons who desire to buy or lease and themselves cultivate the holdings. But this does not mean that such persons must not do anything else than cultivate them.

Beside this discretionary power of providing small holdings a county council is compelled to provide if required by a scheme under the Act which will be subsequently described.

Any council whether county borough district or parish may make representations to the Commissioners as to small holdings and must supply the Commissioners with all reasonable information and assistance. The Commissioners report the result of their inquiries to the Board and give their opinions and if they receive any information as to a demand for small holdings they must communicate it to the councils.

The Board must consider any report and representations of the Commissioners as respects any county. If it decides a scheme should be made it forwards the report with whatever modifications or observations it thinks well to make to the county council who must prepare a scheme to give effect to the report and whatever modifications have been suggested to meet the requirements of the Board.

If the county council declines or fails for six months to prepare a scheme acceptable to the Board the Board may direct the Commissioners to do so.

The county council may without any report prepare a scheme.

Two counties may prepare a joint scheme. Any scheme must be published and advertised as the Board directs and notice given as to how objections may be sent to the Board. The Board may hold a public inquiry in any case and may do so if the county council object to the scheme or if

modification is made by the Board in a scheme of their own. At the inquiry the county council and other such persons as the person holding the inquiry may permit are to be heard. The Board considers the report of the person holding the inquiry and settles and confirms or annuls the scheme.

The county council must then carry the scheme into effect within a time mentioned in the scheme or the Commissioners may be directed by order of the Board to do so. For the purpose they have all the powers of a county council under the Act and the Board may recover the expenses as a debt due to the Crown. Every order for a scheme is to be laid before Parliament as soon as possible after it is made.

If loss results from any scheme or likely to result the Board may bear the loss or any part of it with the consent of the Treasury and the by Treasury minute is now a half.

2. **Acquisition of land by County Councils.** It is the purpose of creating small holdings a county council has power to acquire land by purchase or lease under agreements or compulsorily under powers in the Act which are set out below.

But a county council must not acquire land except at such a price or rent that its cost and all expenses incurred about it can be recouped out of the purchase money or the rents of holdings sold or leased to small holders. They must not purchase money or the rent paid by the small holders so as to guard the council against loss.

The county council before selling or letting may adapt the land as they think fit by fencing it, making roads and drainage and a water supply if these operations are more economical when carried out for the land as a whole. Also as part of the agreement of selling or letting a small holding the council may erect buildings or adapt existing buildings such as are necessary for the holding, and which cannot be made by the purchaser or tenant.

The cost is to be apportioned amongst the several holdings as the council think just and they are to be offered for sale or lease in accordance with rules made under the Act.

3. **Regulation Management and Terms of Small Holdings.** The county council may sell or let one or more small holdings to be worked on a co-operative system. With the approval of the Board the county council may let a holding, or holdings to any association formed to create or promote the creation of small holdings if the division of profits amongst its members is prohibited or restricted.

The rules to be made by the county council relate to the manner in which holdings are to be sold or let or offered for sale or letting, to guarding against a holding being acquired by a person unable to cultivate it properly, and to securing its proper cultivation. These rules must be confirmed by the Board.

The purchaser of a holding must pay not less than one-fifth of the purchase money. An amount not more than one-fourth of the purchase money may if the council think fit be secured by a perpetual rent charge. The rent charge is redeemable as under Section 45 of the Conveyancing and Law of Property Act 1881 (44 & 45 Vict. c. 41). That is to say the Board will certify as to the amount which a holder must pay to put an end to the charge and he has to do so in the terms of that section. The residue may be secured by a charge on

spared as far as possible from any contact with the sights or smells of the slaughter-house. The waiting pens must be separated from the slaughter-chamber, which should be shut off by sliding doors. The pitch of the floor in, and the drainage of, the slaughter-chamber should be away from and not in the direction of the waiting pens. Care must be taken to prevent the floor from becoming slippery. Cattle should be slaughtered screened off from their fellows, and after they have been killed and bled they should be moved on and "dressed" in an adjoining room screened off from the view of animals entering the slaughter-chamber.

All places used for the slaughtering of cattle or for the sale of butcher's meat are liable to inspection by duly appointed inspectors, who may seize and condemn as unfit for human food any carcass or part of a carcass found upon the premises.

It is an offence punishable by fine to slaughter cattle for human food in any place that is not a public or licensed or registered slaughter-house, but this prohibition does not apply to animals generally, but only to animals whose carcasses are intended to be sold for human food.

It is an offence to start a new business as a knacker. Existing businesses may be continued subject to compliance with the statutory regulations, but the penalty for establishing a new business is a fine not exceeding £50 and a similar fine is payable for every day during which it is carried on. It is also an offence punishable with the same penalties, to establish without the sanction of the county council a new business as a slaughterer of cattle or horses.

SLEEPING PARTNER.—This is the member of the partnership firm who invests money in the business but takes no active share in its management. Such a partner is also called a "dormant partner." Although to a certain extent in the background, if the name of such a partner appears in the firm name, or if he holds himself out as a partner, he is equally liable with each of the working or active partners for the debts of the firm to the whole extent of his property. (See **PARTNERSHIP**.)

In a limited partnership, a limited partner is a sleeping partner. (See **LIMITED PARTNERSHIP**.)

SLIDING SCALE.—The principle of the sliding scale is one by which the rate of wages to be paid to a workman is fixed according to the rise or fall of the market value of the product of his labour. Roughly speaking, it provides for an automatic rise and fall of wages according to the difference in prices. An example will make this clear. Suppose a workman, who is paid upon the sliding scale system, agrees to accept 10s as a basis for producing a certain quantity of any commodity so long as it fetches 30s in the open market. He is paid at the rate of 33½ per cent. If the market price of the article in question rises to 37s 6d, i.e., 25 per cent, the workman's wages rise 25 per cent also, and he is paid 12s 6d instead of 10s. If, on the other hand, the price falls to 27s, i.e., 10 per cent, his wages are reduced by 10 per cent, and he is paid 9s instead of 10s. For many years the wages of the miners in various parts of the country, especially in South Wales, were regulated in this manner, but it now appears, especially since the passing of the Minimum Wage Act, 1912, that the principle, which has so much to recommend it, will not be heard of again for some time. (See **REMUNERATION OF WORKMEN, SCHEMES or**.)

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various ports, to signify the charge made for putting the chains, ropes, etc., round the goods as they lie in craft alongside a ship, so that they are made ready for being hoisted on board. The charge for slinging is generally borne by the shipper of the goods.

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inconvenient quantity of land should not be taken away from any one tenant. Other such considerations should be regarded, and as far as practicable the displacement of any considerable number of agricultural labourers or others employed on or about the land is to be avoided.

No holding of 50 acres or less in extent, nor any part of such holding is to be authorised by an order under the Act to be acquired compulsorily for small holdings or allotments.

The county council may compensate a labourer who has been regularly employed on any land acquired for small holdings if its acquirement has caused him loss of his employment and there is no equally beneficial employment to be obtained in the neighbourhood.

The tenancy of land compulsorily hired may, at the expiration of the original tenancy, be renewed for not less than fourteen and not more than thirty-five years. Notice of not less than one year nor more than two must be given to the landlord and in default of agreement as to rent it will be settled by a valuer appointed by the Board but otherwise on the term of the original lease.

2 Right of Landlord to resume possession of land. If any such land is required by the landlord for building, mining or other industrial purposes or for roads necessary therefor, the landlord may resume possession of the land if the Board is satisfied. He must give twelve months' previous notice in writing, and as to part taking there must be a determination of rent by a valuer.

3 Tenants' Rights to Compensation for Improvements. Tenants have rights to compensation against a council for certain improvements mentioned in Part I of the Second Schedule to the Act as if under Sec. 42 of the Agricultural Holdings Act 1908, which applies to market gardening, the consent of the landlord or notice to him not being required. (See Title).

On the determination of the tenancy of land hired by a council and on quitting the land, the council is itself entitled to compensation under the Agricultural Holdings Act 1908 for any improvement in Part I of the just mentioned Second Schedule, and for any improvement in Part II of that Schedule which was necessary or property for adapting the land for small holdings or allotments as if under Sec. 47 of the Agricultural Holdings Act. (See Title).

Part I of the Second Schedule is as follows—

- (1) Planting of standard or other fruit trees permanently set out.
- (2) Planting of fruit bushes permanently set out.
- (3) Planting of strawberry plants.
- (4) Planting of asparagus, rhubarb, and other vegetable crops which continue productive for two or more years.

Part II of the Second Schedule is as follows—

- (1) Erection, alteration or enlargement of buildings.
- (2) Formation of silos.
- (3) Laying down of permanent pasture.
- (4) Making and planting of sward.
- (5) Making of water meadows or sward of irrigation.
- (6) Making of garden.
- (7) Making or improving road or bridges.
- (8) Making or improving of water courses, ponds, wells, or reservoirs, or of works for the application of water power or for supply of water for agricultural or domestic purposes.

- (9) Making or removal of permanent sewers.
- (10) Planting of hops.
- (11) Planting of orchards or fruit bushes.
- (12) Protecting young fruit trees.
- (13) Reclamation of waste land.
- (14) Warping or weiring of land.
- (15) Embankments and sluice against flood.
- (16) The erection of wire work in hop gardens.
- (17) Drainage.

A tenant of any small holding or allotment may, before the expiration of the tenancy, remove any fruit and other trees and bushes planted or acquired by him for which he has no claim for compensation and may remove any tool house, shed, greenhouse, fowl house or pigsty built or acquired by him for which he has no claim for compensation.

4 Encouragement of Co-operative Societies. A county council may promote the formation of and assist Co-operative Societies for the production or profitable working of small holdings and allotments, and under regulations of the Local Government Board make or guarantee grants or advances to them.

5 The Small Holdings and Allotment Committee of a Town Council. A small holdings and allotment committee must be formed by every county council either wholly or partly of members of the council, but the members of the council must be a majority. All matters (except raising a rate or borrowing) must be referred to it, and the council must receive its report before exercising their powers under the Act, but the committee may delegate its powers to local sub-committees.

6 Arbitration and Valuation. All questions under the Act that are referred to arbitration are determined by a single arbitrator as under the Agricultural Holdings Act 1908. (See Title).

But where an order is made authorising compulsory acquisition of land by the Commissioners acting in default of a county council, the arbitrator or valuer is to be appointed by the Lord Chief Justice of England instead of by the Board.

SMALL BANKRUPTCIES.—In order to protect a small estate from the burden which might be imposed upon it by the ordinary bankruptcy cost and to simplify procedure, special provision is made for the administration of such estates. Thus when a petition is presented by or against a debtor and the court is satisfied that the property of the debtor is not likely to exceed in value £300, the court may make an order that the estate be administered in a summary manner. If after this order the debtor is adjudged bankrupt, the official receiver becomes trustee in bankruptcy unless the creditors otherwise resolve. No committee of inspection is appointed, but the official receiver may, with the permission of the Board of Trade, do all things which may be done by the trustee with the permission of the committee. Having received notice of his appointment, the official receiver holds a personal interview with the debtor in order to decide how the estate shall be administered. The proceedings in a summary administration are not advertised in a local paper, unless the Board of Trade so directs. If a proposal for a composition or scheme is filed or if the official receiver satisfies the court that the debtor has absconded or that he does not intend to propose a composition or scheme, or that any composition or scheme he proposed is not a genuine one, or if he fails to file the creditors, the court may, with a trustee, declare the debtor bankrupt. If during or

the holding in favour of the council to be repaid either (a) by half yearly instalments of principal with such interest, and within such term not exceeding fifty years from the date of the sale as may be agreed on with the council, or (b) if the purchaser so requires, with such interest and within the same term, by a terminable annuity payable by equal half yearly instalments

The time of payment may be postponed by the council for not more than five years, in consideration of expenditure by the purchaser which increases the value of the holding, but on such terms as may prevent the council from incurring any loss

Holdings purchased by the holders are subject to the following conditions for twenty years after sale, or so long as any purchase money remains unpaid—

- (a) Due payment of purchase money
- (b) No subdivision, assignment or letting without the consent of the county council
- (c) Cultivation by owner or occupier and user only for agriculture
- (d) Only one dwelling house on a holding
- (e) Such dwelling house to comply with sanitary requirements
- (f) No user for sale of intoxicating liquors
- (g) No erection of dwelling house without consent of county council

The county council may relax condition (d)

Breach of any condition, if it cannot be remedied, as a cause empowering a sale by the county council

On subdivision by intestacy or devise, the county council may require the holding to be sold within twelve months after the decease of the holder to some one person, and in default the council may cause the holding to be sold

The council may, on giving notice, itself purchase. In these two cases the price is to be settled by arbitration in case of disagreement

A rule so made by the council may, under special circumstances to be recorded in their minutes, be freed from all or any of the conditions imposed on the holdings

Holdings on lease are subject to similar conditions

County councils on purchasing land for small holdings are registered as proprietors under the Land Transfer Acts, 1875 and 1897, and on transfer to a purchaser he is to be registered as proprietor with an absolute title, subject only to the incumbrances created under the Act. The county council guarantees this title. No person, whatever his title, can recover the land from the small holder, but his action, if any, will be against the county council for damages

When the holding becomes free from the restrictive conditions, *i.e.*, after twenty years and payment of the purchase money, the holder can use the holding for other than agricultural purposes. Whether it is in a town or not, or built or unbuilt upon, he must, however, offer it for sale first to the county council; and secondly to the person entitled to the land from which the holding was originally secured. The conditions on which the sale is to take place are the same as those laid down in the Lands Clauses Consolidation Act, 1845, when the promoters of an undertaking, such as a railway, desire to part with superfluous lands acquired compulsorily and not actually required for the purposes of the undertaking. There is a similar power for county councils to dispose of the land they have acquired, which is superfluous, for the provision of small holdings

The county council cannot impose an annual charge on the county fund of greater amount than can be raised by a rate of a penny in the pound in any one year. If the charge at any time is equal, or nearly equal, to that amount, no further land is to be purchased for small holdings until the charge is decreased so as to admit of further purchase without exceeding the prescribed amount. This amount includes the annual payments in respect of loans raised for the purposes of small holdings

A county council may delegate its powers in regard to small holdings to the council of any borough or urban district in the county, subject to such conditions as may be agreed upon

Besides the creation of a class of small holders, as above described, a county council may advance money to the tenant of a small holding who has agreed with his landlord to buy it. The advance is not to exceed four-fifths of the purchase money. In all respects, except that the county council does not guarantee the title of the purchaser, the sale is on the terms set out above. The council is to be satisfied that the title is good, the sale made in good faith, and the price reasonable

Further, the Board, if it thinks there ought to be small holdings in a locality, may, to demonstrate their feasibility, exercise the powers conferred on county councils (except the powers of acquiring land compulsorily and of borrowing); and the expenses are to be defrayed out of the small holdings account which will be dealt with below

MATTERS COMMON TO SMALL HOLDINGS AND ALLOTMENTS

1. *Mode of Acquisition of Land.* The purchase of land by councils by agreement is made under the agreement clauses of the Lands Clauses Consolidation Act, 1845, and the Public Health Act, 1875, s. 178. If compulsorily, under the Compulsory Clauses of the Lands Clauses Consolidation Act, subject to the directions and modifications of the Board

For the compulsory hiring of land the council may submit to the Board an order to take land for not less than fourteen, and not more than thirty-five years

In the cases both of purchase and hiring, the order must be confirmed by the Board

Where the council proposing to acquire land compulsorily is a parish council, the order is obtained through and carried out by the county council, but the land is conveyed to the parish council which pays the expenses. But the parish council may petition the Board directly if the county council does not act

No order can authorise the compulsory taking of land which is part of a park, garden, or pleasure ground, or which forms part of and is occupied with the home farm of a mansion house or which is otherwise required for the amenity or convenience of any dwelling-house, or which is woodland not wholly surrounded by or adjacent to land acquired by a council under the Act, or which at that date is the property of any local authority, or which has been acquired by any corporation or company for a railway, dock, canal, water, or other public undertaking, or is the site of an ancient monument or other object of archaeological interest

Regard is also to be had to the extent of land held or occupied in the locality by any owner or tenant, and to the convenience of other property held by him. As far as practicable, an undue or

inconvenient quantity of land should not be taken away from any one tenant. Other such considerations should be regarded and as far as practicable the displacement of any considerable number of agricultural labourers or others employed on or about the land is to be avoided.

No holding of 50 acres or less in extent nor any part of such holding is to be authorised by an order under the Act to be acquired compulsorily for small holdings or allotments.

The county council may compensate a labourer who has been regularly employed on any land acquired for small holdings if its acquirement has caused him loss of his employment and there is no equally beneficial employment to be obtained in the neighbourhood.

The tenancy of land compulsorily hired may at the expiration of the original tenancy be renewed for not less than fourteen and not more than thirty-five years. Notice of not less than one year nor more than two must be given to the landlord and in default of agreement as to rent it will be settled by a valuer appointed by the Board but otherwise on the terms of the original lease.

2 Right of Landlord to resume possession of land. If any such land is required by the landlord for building, mining or other industrial purposes or for roads necessary therefor the landlord may resume possession of the land if the Board is satisfied. He must give twelve months' previous notice in writing and as to part taking there must be a determination of rent by a valuer.

3 Tenants' Rights to Compensation for Improvements. Tenants have rights to compensation against a council for certain improvements mentioned in Part I of the Second Schedule to the Act as if under Sec. 49 of the Agricultural Holdings Act 1908 which applies to market gardening, the consent of the landlord or notice to him not being required (See TITLE).

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- (9) Making or removal of permanent sewers.
- (10) Planting of hedges.
- (11) Planting of orchard or fruit bushes.
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5 The Small Holdings and Allotment Committee of a Town Council. A small holdings and allotment committee must be formed by every county council either wholly or partly of members of the council but the members of the council must be a majority. All matters (except raising a rate or borrowing) must be referred to it and the council must receive its report before exercising their powers under the Act but the committee may delegate its powers to local sub-committees.

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the holding in favour of the council to be repaid either (a) by half yearly instalments of principal with such interest, and within such term not exceeding fifty years from the date of the sale as may be agreed on with the council, or (b) if the purchaser so requires, with such interest and within the same term, by a terminable annuity payable by equal half yearly instalments

The time of payment may be postponed by the council for not more than five years, in consideration of expenditure by the purchaser which increases the value of the holding, but on such terms as may prevent the council from incurring any loss

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On subdivision by intestacy or devise, the county council may require the holding to be sold within twelve months after the decease of the holder to some one person, and in default the council may cause the holding to be sold

The council may, on giving notice, itself purchase. In these two cases the price is to be settled by arbitration in case of disagreement

A rule so made by the council may, under special circumstances to be recorded in their minutes, be freed from all or any of the conditions imposed on the holdings

Holdings on lease are subject to similar conditions

County councils on purchasing land for small holdings are registered as proprietors under the Land Transfer Acts, 1875 and 1897, and on transfer to a purchaser he is to be registered as proprietor with an absolute title, subject only to the incumbrances created under the Act. The county council guarantees this title. No person, whatever his title can recover the land from the small holder, but his action, if any, will be against the county council for damages

When the holding becomes free from the restrictive conditions, i.e. after twenty years and payment of the purchase money the holder can use the holding for other than agricultural purposes. Whether it is in a town or not or built or unbuilt upon, he must however, offer it for sale first to the county council, and secondly to the person entitled to the land from which the holding was originally secured. The conditions on which the sale is to take place are the same as those laid down in the Lands Clauses Consolidation Act, 1845, when the promoter of an undertaking, such as a railway, desire to part with superfluous lands acquired compulsorily and not actually required for the purposes of the undertaking. There is a similar power for county councils to dispose of the land they have acquired, which is superfluous, for the provision of small holdings

The county council cannot impose an annual charge on the county fund of greater amount than can be raised by a rate of a penny in the pound in any one year. If the charge at any time is equal, or nearly equal, to that amount, no further land is to be purchased for small holdings until the charge is decreased so as to admit of further purchase without exceeding the prescribed amount. This amount includes the annual payments in respect of loans raised for the purposes of small holdings

A county council may delegate its powers in regard to small holdings to the council of any borough or urban district in the county, subject to such conditions as may be agreed upon

Besides the creation of a class of small holders, as above described, a county council may advance money to the tenant of a small holding who has agreed with his landlord to buy it. The advance is not to exceed four-fifths of the purchase money. In all respects, except that the county council does not guarantee the title of the purchaser, the sale is on the terms set out above. The council is to be satisfied that the title is good, the sale made in good faith, and the price reasonable

Further, the Board, if it thinks there ought to be small holdings in a locality, may, to demonstrate their feasibility, exercise the powers conferred on county councils (except the powers of acquiring land compulsorily and of borrowing); and the expenses are to be defrayed out of the small holdings account which will be dealt with below

MATTERS COMMON TO SMALL HOLDINGS AND ALLOTMENTS

1 Mode of Acquisition of Land. The purchase of land by councils by agreement is made under the agreement clauses of the Lands Clauses Consolidation Act, 1845, and the Public Health Act, 1875, s 178. If compulsorily, under the Compulsory Clauses of the Lands Clauses Consolidation Act, subject to the directions and modifications of the Board

For the compulsory hiring of land the council may submit to the Board an order to take land for not less than fourteen, and not more than thirty-five years

In the cases both of purchase and hiring, the order must be confirmed by the Board

Where the council proposing to acquire land compulsorily is a parish council, the order is obtained through and carried out by the county council, but the land is conveyed to the parish council which pays the expenses. But the parish council may petition the Board directly if the county council does not act

No order can authorise the compulsory taking of land which is part of a park, garden, or pleasure ground, or which forms part of and is occupied with the home farm of a mansion house or which is otherwise required for the amenity or convenience of any dwelling-house, or which is woodland not wholly surrounded by or adjacent to land acquired by a council under the Act, or which at that date is the property of any local authority, or which has been acquired by any corporation or company for a railway, dock, canal water, or other public undertaking, or is the site of an ancient monument or other object of archaeological interest

Regard is also to be had to the extent of land held or occupied in the locality by any owner or tenant, and to the convenience of other property held by him. As far as practicable, an undue or

Attorney-General he is a member of the ministry of the day but without a seat in the Cabinet and goes out of office unless he has previously resigned or has been promoted to some other office with the ministry

His duties are practically the same as those of the Attorney General in fact he acts as the Attorney General's assistant and takes his place on all occasions when the Attorney is unable to be present. So clearly is this recognized that the Solicitor General is understood to have a vested right to succeed the Attorney General should the latter resign or obtain preferment. There is also supposed to be an unwritten law that he may claim subject to the prior right of the Attorney any judicial office that may fall vacant during his tenure of office.

The office of Solicitor General is less ancient than that of Attorney General as it does not date back earlier than the reign of Edward IV.

The salary attached to the post is £6,000 per annum though the fees in addition for litigious work make the total about double that sum. In consideration of this emolument the Solicitor General is no longer allowed to take private practice.

There is a separate Solicitor General for England, Scotland, and Ireland.

SOLICITOR'S UNDERTAKING—In cases tried *in nisi prius* (§ 1) the losing party is often anxious to have the whole matter reviewed by the Court of Appeal. In certain cases a stay of execution is granted unconditionally but in other cases certain security has to be given, e.g. the damages are ordered to be paid into court and the costs to be taxed and paid. In the case of costs however it is an invariable rule that if the same are taxed and paid the solicitor who receives them is responsible for the repayment of the same if the verdict and judgment obtained *in nisi prius* is reversed in the Court of Appeal.

In banking matters when a customer desires any of his securities which are held by a banker to be lent to his solicitor for inspection written instructions should be taken from the customer. When the securities are handed to the solicitor the solicitor should sign an undertaking to return them in the same condition as he receives them and not to charge them or affect the banker's security in any way. Bankers have their own forms for use in these cases.

If the securities are to be given up to a solicitor or anyone else against payment of a certain sum the letter of authority should specifically state the amount. The undertaking will then be to pay the amount or to return the securities. When there is an agreement or undertaking to pay a sum of money the document is probably chargeable with a stamp duty of sixpence.

SOLVENCY—This is the state of a person who is in a position to pay the whole of his debts in full.

SOLVENT—A merchant or other person is said to be solvent when he is able to pay the whole of his debts in full.

SOMALILAND (BRITISH)—A portion of the north eastern horn of the African continent part of which is under British protection the remaining parts being supervised by the French and the Italians. The extent of the British dominion is about 68,000 square miles and the native population is estimated at 300,000.

This Protectorate has been under the British Colonial Office since 1900. Although there are

hopes as to its future development the trade at present carried on is confined to the sea coast and the land immediately behind.

The chief town is *Berbera*.

For map see **AFRICA**—page 44.

SOMERSET HOUSE—This is the great public office in the Strand which is now appropriated to the services connected with the Inland Revenue, Wills and Probate.

SOU—A French bronze coin the twentieth part of a franc equal in value to about one halfpenny.

SOUTH AFRICA—The name applied to the federated dominions of the British Empire made up of Cape Colony, Natal, the Orange Free State and the Transvaal. Each of these is not under a separate heading.

SOUTH AUSTRALIA—Position, Area and Population. South Australia (including the Northern or Commonwealth Territory) lies between 11° and 33° south latitude and 129° and 141° east longitude having Western Australia on the west, New South Wales, Victoria and Queensland on the east, the Indian Ocean on the north and the South Indian Ocean on the south. South Australia proper lies south of 26° south latitude and the 138th meridian bounds the Commonwealth Territory on the east. Of the total area of nearly 904,000 square miles the Commonwealth Territory occupies 24,000 square miles. The total length from sea to sea is 1,600 miles. Though three times as large as New South Wales the population is only about 470,000 of which 4,000 are to be found in the Northern Territory. Few of the latter are white people probably one sixth is about the correct estimate.

Coast Line. The south coast is about 1,600 miles in length but along the whole of it there is but one important navigable river the Murray. Deep indentations into the land are Spencer Gulf penetrating nearly 200 miles and containing Ports Lincoln and Augusta, and St Vincent Gulf penetrating 100 miles and containing the good harbours of Large Bay and Port Adelaide. To the west of Spencer Gulf fronted by Kangaroo Island is the dreary Eyre Peninsula and beyond stretch the shores of the Great Australian Bight with little shelter for shipping. East of St Vincent Gulf Lake Alexandrina forms the outlet of the Murray and a remarkable sand pit nearly 90 miles long runs north westward along Encounter Bay and encloses the long narrow lagoon of the Corong. The entrance to the Murray is very dangerous and especially so when the winds blow strongly from the south south west, or west. The northern coast is much indented and bordered by several islands of which the largest is Melville Island. The islands provide shelter from tropical storms and Port Darwin is one of the finest harbours in Australia. Several navigable streams offer facilities for inland transport.

Build. Most of South Australia forms part of the western tableland of Australia which has a low average elevation of less than 2,000 ft. On the north and south there are coastal margins and east of the great tableland the land forms part of the Great Central Plains of Australia which are mostly under 600 ft. and sink below sea level in the Lake Eyre region. The plains are covered by a sheet of thick clay deposited beneath a sea which once extended from the Gulf of Carpentaria to Lake Eyre in the south. Of the chief mountain ranges of the State the Flinders Range runs east and north of Spencer Gulf and the Gawler Range extends

jury and court fees are properly included in the bill.

The relationship of counsel and solicitor is one that requires consideration. If litigation is proceeding counsel must be instructed by the client through a solicitor, and the services of counsel are rewarded by an honorarium proportioned to the amount of money which is at stake or to the importance of the issue. There is no legal liability, as before noticed, imposed upon counsel either to the solicitor or to the lay client for negligence or non-attendance on a case, but if he is unable to attend personally he either returns the brief or provides a substitute, familiarly known as a "devil." In important cases two counsel are usually briefed, a King's counsel, or leader, and a junior barrister. The junior draws the pleadings and prepares the case, but the conduct of it at the trial mainly falls to the leader who opens, cross-examines the principal witnesses and replies if he is present. The fees payable are regulated by etiquette, the junior requiring two-thirds of the fees paid to the leader.

Counsel are entitled to demand their fees when the brief is delivered. But the payment of the fees in advance is the exception rather than the rule, unless the counsel briefed is of such eminence that he can demand the prepayment. In fact, there is no prepayment in at least 90 per cent of the cases which are brought into court and circumstances are frequently such that a compromise has to be made in the long run. Counsel cannot sue for their fees, but if the client has paid the solicitor, and the solicitor fails to pay the fees to counsel, the solicitor is guilty of professional misconduct, which will render him liable to be suspended from practice, or in extreme cases to be struck off the rolls. But the Law Society are very chary about moving in such matters. If a barrister, either personally or through his clerk, has written a letter demanding payment from a solicitor, the Law Society will generally decline to act at all, as any interference on their part would reduce them to the level of a debt-collecting society.

A solicitor has a lien or a right to retain his client's papers and document until his bill of costs has been paid, in fact he may use his lien as a weapon to enforce payment by embarrassing his client. He also has a right in some cases of actively enforcing his lien. There are two kinds of lien at common law, the retaining or passive lien, so called because the solicitor cannot actively enforce it, and the charging lien, which can be actively enforced. In addition, there is a right of lien which has been conferred by statute, and which is known as the statutory lien or charging order. This is better known and more commonly used than the charging lien, though there are many cases in which the former must be used if the solicitor desires the protection of the court. A large number of cases have defined the nature and the extent of the statutory lien. As this is a matter of practice, no further reference is necessary here.

The statutory lien or charging order is obtained by a writ or writs properly recovered or preserved by the solicitor, and he is entitled to apply to the court for an order charging the property recovered or preserved with the amount of his costs, and, if necessary, to apply to have his costs, charges, and expenses rated out of the property, which is the property, real or personal, of the defendant. The writ to be obtained is known as the writ of *habere facias*.

application for six years. In this respect it differs from the charging lien, which is not subject to the provisions of the Statute of Limitations (*qv*). The charging order can be made on the interests of others than the actual client, where a benefit has accrued to them through the solicitor's exertions. It is treated on the principle of salvage. All conveyances and acts done to defeat the solicitor's right to a charge are void and of no effect against the charge, unless made to a *bona fide* purchaser for value without notice.

A solicitor is under certain disabilities in his relationship with his client. He cannot accept a substantial gift from his client beyond his fees. If he does so the client, or the client's executor if the client is dead, can obtain it back from the solicitor. To make such a gift irrevocable there must be a fixed, deliberate, and unbiased determination that the transaction shall not be impeached after the influence arising from the existence of the retainer has ceased to exist. But this rule as to gifts has no application in case of mere trading matters. If the benefits which are to be derived by the solicitor are of small extent, the court will not interfere to set them aside upon the mere fact of the existence of a state of relationship of solicitor and client, and the absence of competent and independent advice. There must be proof of *fraud*, *fides*, or of an undue or unfair exercise of influence. This rule as to rendering invalid gifts made during the existence of the relationship of solicitor and client applies not only to gifts made in favour of the solicitor himself, but also in case of gifts made by the client to the wife or the children of the solicitor.

A solicitor may not take an unfair advantage of his client in the capacity of vendor, purchaser, or mortgagee, nor may he take a secret commission. In the case of purchases from a client, if the propriety of the transaction is questioned the solicitor must show that he has given all that reasonable aid to his client against himself which he would have given against a third person.

In advocacy, the solicitor has a right of audience in all police courts and county courts, at coroners' inquests, and in all bankruptcy proceedings, even in appeals to the High Courts. He is also entitled to appear at Quarter Sessions where there is no bar, i.e., where the barristers on the circuit in which the town is situated do not put in an appearance. This, however, is a very rare occurrence.

As many legal transactions must take place in London, it is the general practice for every county solicitor to have a London agent who transacts everything for the country client. In fact, even London firms do nothing except agency work. There are well recognised rules existing among solicitors as to the sharing of costs in connection with all work done.

SOLICITOR-GENERAL.—This is the name of the junior of the law officers of the Crown, the senior being known as the Attorney General.

He is invariably a barrister, not a solicitor, of high standing in the legal profession, and although it is not essential that he should be a King's Counsel, it is very unlikely that a junior barrister would be appointed to the position. Again, it is absolutely necessary that he should be a member of the House of Commons, and it is a peculiar feature of the British constitution that a man could retain the position of Solicitor General for many years, and, in fact, he has done so in the House of Commons.

distance of more than 1 500 miles did much to open up South Australia. Port Darwin has cable connection with Singapore and Adelaide has telegraphic connection with Sydney and Melbourne. The rail ways are mainly confined to the south-east portion of the colony. From Adelaide a line runs east through Border Town to Serviceton where connection is made with the Victorian system. Branches from this line extend to Kingston and Beachport. Two trans-continental lines may be completed in the future. (1) From Palmerston to Adelaide—the portions already completed are Palmerston to Pine Creek (146 miles) and Adelaide to Oodnadatta (688 miles). (2) from Port Augusta to Coolgardie (West Australia). Port Augusta, Wallaroo, Moonta, Port Pirie and Morgan are connected with Adelaide. A line runs from Adelaide through Letersburg to Broken Hill (New South Wales). For communication with the arid interior the camel is largely used.

Commerce. The chief exports of the State are wool, wheat, wheat flour, copper, fruits, wine and olive-oil. The imports consist of textiles, coal, tea, sugar, iron and steel goods. Trade is mainly carried on with the United Kingdom, the other Australasian colonies and British possessions. The chief ports are Ports Adelaide, Pirie and Augusta. Wallaroo, Port Lincoln, Morgan (a river port) and Port Darwin or Palmerston in the north.

Trade Centres. The trade centres are the ports and the agricultural, pastoral and mining centres. The Provinces of South Australia, being mainly an agricultural and pastoral country, possesses few towns with a population of 1 000. More than one-third of the total population are congregated in the capital Adelaide and its suburbs, and with the exception of Port Darwin, the chief centres are in the south.

Adelaide (900 000), the model Australian city, is situated near the east side of the Gulf of St Vincent on a plateau on the river Torrens. It is a beautiful hill-girt city with wide streets, nine avenues and shaded squares. A large number of citizens are of German extraction.

Port Adelaide, the port of the capital, is about 7 miles distant on St Vincent Gulf. It carries on the bulk of the trade, and since the completion of the series of railways connecting Sydney, Melbourne and Adelaide it has become the place at which the mails are collected and landed by steamers using the south coast route.

Port Pirie, on the east side of Spencer Gulf and 170 miles north of Adelaide, has large smelting works near it. Its trade is increasing. Wheat is an important export.

Glenside, about 7 miles from the metropolis, is a favourite watering place, and so are *Birkenhead* and *Semaphore*. The latter on Largs Bay can accommodate ocean liners.

Port Augusta is a wheat port at the head of Spencer Gulf.

Mount Gambier, at the foot of the extinct volcano of that name, is the centre of an agricultural district. It is connected by rail with the roadsteads of Beachport and Kingston.

Palmerston, the capital of the Northern or Commonwealth Territory, erroneously called Port Darwin, is situated upon the eastern shore of the harbour of Port Darwin, and is laid out upon an extensive ironstone ridge. It is the northern terminus of the trans-continental telegraph line, which is connected with the submarine cable to

Europe. Its climate is trying to Europeans, and the inhabitants are chiefly Chinese.

Port Lincoln, near the south end of Eyre's Peninsula, is a wheat and wool port.

Gawler, north of the capital, stands on the river Gawler and is the centre of a wheat-growing district.

Kapunda and **Moonta** were once very famous for their copper, but Moonta and Wallaroo have taken their places.

Other towns are **Pine Creek** and **Oodnadatta** (termini at present on the trans-continental rail way), **Yalata**, **Coolata**, **Port Elliot** and **Port Elliot** (seaside resorts), **Kadina** (wharf at night), **Peterburg** (railway junction), **Morgan** (river port and railway centre) and **Quinn** (railway junction).

Mails are despatched to South Australia every Friday via Brisbane or Naples. There are supplementary services via Vancouver and San Francisco, but letters must be specially insured. Adelaide is 11 100 miles distant from London and the time of transit is thirty days.

For map see AUSTRALIA page 127.
Sovereign—This is the standard of the British coinage. Its weight is 123.27447 grains troy, and the standard fineness is eleven twelfths fine gold (113.0016 grains), one twelfth alloy, chiefly copper (10.2729 grains). When a sovereign has been in circulation for some time it becomes reduced in weight. When the weight falls below 122.5 grains troy it is no longer a legal tender. Gold bullion weighing 40 lb troy is coined into 1 869 sovereigns. Professor W. S. Jevons says that from experiments he estimated the average wear of a sovereign for each year of circulation at 0.043 grain. It would follow that a sovereign cannot in general circulate more than about eighteen years without becoming illegitimately light. This length of time then would constitute what may be called the legal life of a sovereign. Other persons have estimated its legal life to be fifteen or twenty years.

By 56 Geo III c. 68 (1816) it was provided that sovereigns coined weighing $\frac{1}{16}$ parts of a guinea were to pass for 20s. They were issued in 1817. Coins of the same name but of different value were first coined in 1489. (See **COINAGE**.)

Soy—The soy bean is the product of the *Soya hispida*, a plant largely grown in China, Japan and North India. A sauce is made from it, which is much used in these countries, and is also exported to the United States and to England, where it is added to many of the home-made sauces. The process of preparing soy takes 2 to 3 months. The beans are boiled, mixed with roughly ground wheat or barley, and salted. After being allowed to ferment the mixture is strained and casked. An oil is also obtained from the bean, and is used in the preparation of a cattle-food and as a manure.

SPAIN—**Position, Area and Population.** Spain is a country which has fallen from a very high position. In the sixteenth century she was commercially and politically one of the greatest powers in Europe, and possessed vast colonies. Now she is of small consequence in Europe, and has lost most of her colonies. With Portugal Spain forms the Iberian peninsula, which is the western extremity of the European mainland. Continental Spain has an area of over 190 000 square miles, but including the Balearic and Canary Islands and the possessions on the north and west coasts of Africa, the total area is nearly 195 000 square miles, or almost six times

westward across Eyre Peninsula. In the south-east, Mount Gambier is the most conspicuous of several ancient volcanoes. Larapinta Land, an elevated tract in the centre, is formed by the Macdonnell and James Ranges, which rise to heights of nearly 5,000 ft. Stuart Range is the divide between Lake Eyre and the Southern Lakes, and the Macintyre Range is in the extreme north of South Australia proper. North of Spencer Gulf lie the great salt lakes, the largest of which are Lake Gardner and Lake Torrens. These lakes are expanses of mud encrusted with salt in the dry season and even in the wet seasons they are very shallow. Lake Aradale, far west of Larapinta Land. The rivers of the interior, flowing towards Lake Eyre, diminish rapidly in volume, and sometimes become quite dry. Cooper's Creek, the Diamantina, and the Finke are typical examples. In the south the Forrester, rising in the Lofty Range, drains the bulk east of Adelaide; but like the Gawler River, it is of little use for navigation. The Murray has its lower course in South Australia, and is the only river of commercial importance. The northern rivers—Roper, Victoria, and Daley—flowing into the Indian Ocean, are navigable for a great portion of their length from the sea. Though much of South Australia consists of apparently worthless scrub and of arid deserts, there are many grassy tracts in the vast interior suitable for grazing. Much of the colony yet remains to be explored. Small rainfall is not usually a bar to agriculture and the progress of the science of agriculture bids fair to overcome some of the difficult problems provided by arid and semi-arid lands.

Climate. The climate, considering the whole region outside the tropical coast lands, may be described as hot, dry, and healthy. Four climatic regions may be distinguished: (1) The settled regions of the south with a "Mediterranean" climate of dry, hot summers, and cool rainy winters; it rainfall varies from 10 to 40 in. Adelaide has a mean annual temperature of 58° F. and a rainfall of 21 in. This region suffers from droughts, which occur with very serious effects at intervals of about eleven years. (2) The central region, with a low rainfall, hot summers, and warm winters, and great contrasts between the temperatures of day and night. Some parts of this area receive a moderate rainfall, and there seem to be important underground supplies of water. (3) The northern tropical monsoon region of high temperatures throughout the year, and characterised by summer rains; at Port Darwin the yearly rainfall is 63 in., and the mean annual temperature 82° F., and (4) the narrow transition belt between the two latter regions, where the tropical heat and moisture are less great than in the northern region, being moderated by altitude and latitude.

Production and Industries. *Agriculture and Food Products.* Agriculture is of prime importance in South Australia. The plan upon which the State was founded, and the system under which the land was sub-divided into blocks, much smaller than are usually held in Australia, were directed towards the development of agriculture. South Australia has been called the "granary of Australia," and for the growth of hard, glutinous, "strong" wheats she possesses advantages in her climate and limestone soils. Wheat is the principal crop, and is confined to the vast plains of arable land in the settled south. The yield is moderate, being about equal to that of Argentina. About 2,000,000 acres are under

cult. Barley, oats, hay, hops, and potatoes are important crops. Fruit-growing is becoming an important occupation, excellent oranges, figs, and apples are produced. The volcanic soils of the south coast and the "Mediterranean" climate are especially suited to the growth of the vine, and South Australian export of wine is steadily increasing. At Renmark, on the lower Murray, there is an important industry similar to Michigan, and Melbourne's own "fruit" including the grapes, are raised. The cultivation of the Northern Territory in a rich, well-watered state, it has depended on Chinese labour and the removal of the Australian to have Australia developed by white labour only, to refer with the unsuitability of the climate in this region for white men, Indians prosper. The chief crops raised on her irrigation here are bananas, coconuts, pineapples, sugar cane, tobacco, and tobacco. Pearl Lake Eyre irrigation by artesian wells is found to be practicable, and possibly in the future irrigation and "dry farming" in other may extend the cereal region northwards. Silk culture is now receiving attention.

The Pastoral Industry. The pastoral industry has suffered from the aid given to emigration. Sheep, fed to the number of about 7,000,000, are the chief animals. These are found mainly in the south, only about 100,000 being in the Northern Territory. Cattle and horses are fed in large numbers in both the north and the south. Droughts cause serious losses, but artesian wells may lessen them in the future. Doubtless, when transport facilities have been developed the pastoral tracts of the far interior will be utilised. Cattle farming on the eastern shore of Spencer Gulf is especially carried on. Dairying is of very minor importance.

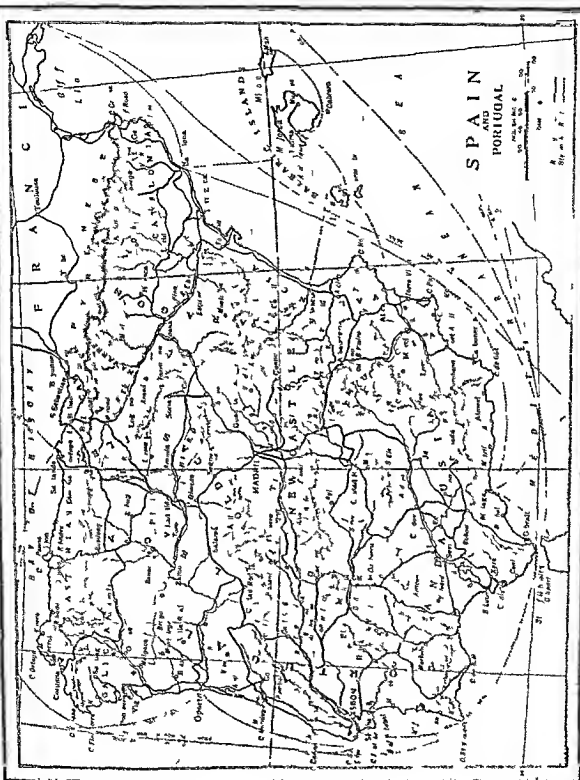
The Mining Industry. Copper, iron, silver, hematite, tin, and gold are all found, but copper is by far the chief. Copper has been found in South Australia what gold has been to Victoria. In 1845 the famous Burrum-Burrum mine, the richest copper mine in the world, was opened. It yielded enormous amounts, but is now deserted. Very rich deposits are now worked at Wallaroo and Moonta, on Yorke Peninsula. Gold is mined in the Northern Territory at Howley, Pine Creek, and other centres; but only small quantities are obtained. Much has yet to be done in the way of exploring and prospecting for minerals. The fundrances to further development are poor transport facilities and unsuitable climate in the north, and scarcity of water and of labour in the south.

Forestry. The area under forest is only about 11,000 acres. The two genera of the eucalyptus and the acacia preponderate. Afforestation is under the direction of an agricultural department, and over 7,000,000 trees have been planted.

The Manufacturing Industries. There are practically no manufacturing industries with the exception of a few iron works, clothing factories, and agricultural implement works.

The Fishing Industry. South Australia has many kinds of food fishes, but the industry is little developed. Pearl fishing is important in the north, there are many pearling stations on Melville Island and large quantities of bêche-de-mer and tortoiseshell are exported. Goolwa and Port Victor on the south are fishing stations. Port Lincoln oysters are famous, and are exported to the eastern colonies.

Communications. The construction of the trans-continental telegraph, which stretches from Port Darwin on the north to Adelaide in the south, a



the size of Ireland. The population is only about 20,000,000, and shows no signs of increasing to any very appreciable extent.

Coast Line. The coast line is very short for the size of the country, and is very regular in outline. In Galicia, lying on the north-west of the peninsula, there is a well-marked coast, and good natural harbours are to be found. The best natural harbours on the Mediterranean are at Barcelona, Cartagena, and Malaga.

Build. The greater part of Spain is occupied by a plateau, known as the Meseta, which has an average elevation of about 2,700 ft in its northern, and about 2,000 ft in its southern, half. The Cantabrian Mountains form its northern boundary, while the Sierra Morena form its south-eastern edge. "Sierras" or saw-toothed ridges roughly parallel to each other, and running east and west, separate the lofty plains of the Meseta. Along the eastern edge of the plateau rise four rivers—the Douro, Tago, Guadiana, and Guadalquivir—of which the three former, flowing south-westward to the Atlantic in deep gorges, are almost useless for commerce or irrigation; it is only when they approach the sea that these rivers cross open country. The Guadalquivir is the most important Spanish river as regards navigation, for the volume of its waters is fairly constant, and it winds with a gentle slope down to the sea. It drains the plain of Andalusia, the chief lowland of Spain. Of rivers flowing to the Mediterranean Sea, the Ebro, which drains the valley between the Pyrenees and the Meseta, is the most important.

Climate. Four climatic regions may be distinguished. The North and North-West, the Meseta, the Andalusian plain, and the Mediterranean lands. The first region has summers neither hot nor very dry, and winters mild and moist, rain occurs at all seasons, and averages about 30 to 40 in annually. The climate of the plateau is characterised by its low rainfall and great extremes of temperature, both daily and seasonal. High mountains prevent rainy winds from reaching the centre, and the average annual rainfall is well below 20 in. Andalusia enjoys a heavier rainfall (30 in. and over), and is less subject to extremes. The western margin of the Mediterranean and the Ebro valley possess the typical "Mediterranean" climate of hot dry summers and mild, wet winters.

Industries and Products. *Agriculture and Food Products.* The Spaniards are largely dependent on agriculture, but their farming does not reach a high standard. Nearly one quarter of the land is classed as unproductive, and this unproductivity is due to the mountainous nature of the country, the low rainfall in many parts, and the lack of knowledge of scientific farming on the part of the cultivators. The chief crops grown are wheat, barley, oats, and rice. In Old Castile there are great irrigation works, and excellent wheat is produced. On the terraced hill-sides and coastal plains of Valencia, Murcia, and Granada and in fertile Andalusia excellent oranges, lemons, grapes, figs, olives, and other fruits are grown. Vines and tobacco flourish on the alluvial plains. Cereals, especially characteristic of Spanish agriculture, are chick-peas, garlic, and onions. Tobacco is a valuable product of the eastern coastal plains, and flax and hemp are grown in the north. Irrigation is essential for successful farming in a great part of Spain, and the Spaniards were provided with excellent examples of irrigation by

the Moors, but they do not, as yet, make the best use of water.

The Pastoral Industry. Almost one quarter of Spain is used only for pasturage. The merino sheep is the chief animal, and Spain once had a reputation for her excellent wool. Cattle and goats roam over the plateau, and pigs feed in the oak forests of the south-west. Horses, mules, and asses are bred in Andalusia.

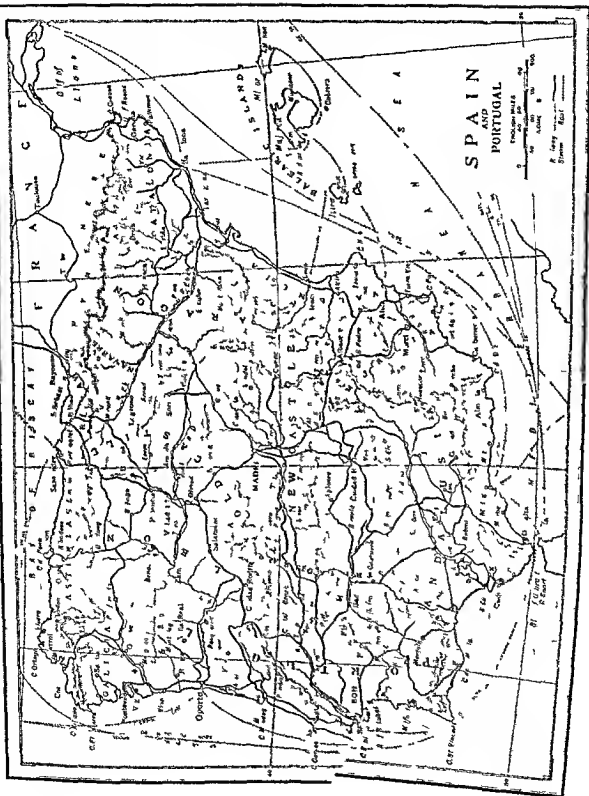
Foreshy. Spain is not well forested. The slopes of the Pyrenees are clothed with forests of oak and beech, and the Highlands of Galicia and the Cantabrian Mountains are covered with deciduous forest. The cork oak grows in the south-west, while the Mediterranean lands have the characteristic olive, chestnut, and mulberry trees. On the plateau tree growth is very limited.

The Fishing Industry. Fishing is carried on round the coasts. The most important catches are those of sardines, anchovies, and tunnies.

The Mining Industry. Spain is rich in minerals. Iron is abundant in the provinces of Vizcaya, Santander, Oviedo, Huelva, and Seville; coal is found in Oviedo, Valencia, Leon, and Cordoba; zinc in Santander; cobalt in Oviedo; lead in Murcia and Almina; silver in Guadalupe, quicksilver in the south of the Meseta, at Almaden; copper in the south-west corner of the Meseta, near the Rio Tinto, and sulphur in Murcia and Almina. Bar salt is largely produced on the southern coasts, and rock salt is plentiful in Guadalupe. Mining is far from being fully developed, and is largely carried on by foreign capital and guidance. Crude and half-refined ores are exported to Britain, Germany, and Belgium to be refined, but it is pleasing to note that in the Basque Provinces the smelting of iron and its manufacture from the local ore are now developing. The exports of iron ore from Santander and Bilbao are of great importance to South Wales and the Glasgow district.

The Manufacturing Industry. The manufactures have been little developed, and the chief centres have been determined more by ease of communication than by local supplies of iron and coal, and in some localities have depended on the energy and skill of the people. Barcelona takes the lead in manufactures, and textiles are important there. Iron goods are made at Bilbao and San Sebastian, and this industry has led to an increase in the import of British coal. Iron is smelted in Oviedo, local coal supplies being utilised. Cloth is made at local coal supplies being utilised. Cloth is made at Valencia; pottery at La Granja, north of Madrid; silk and tobacco is manufactured at Seville. Silk spinning and weaving are carried on in Murcia and Valencia, where the silkworm is chiefly reared. Xeres is noted for its sherry, which is exported from Cadiz, and the Ebro basin is noteworthy for the "Tarragona port." Many of the towns of the Mediterranean coast and Southern Spain have important industries in connection with the preparation of wine and fruits. Exportation is carried on in the provinces which produce these goods. Minor manufactures are those of paper and leather.

Communications. The rivers flowing to the sea, with the exception of the Guadalquivir, are of small use for trade, and in the Mediterranean region the Ebro, which allows sea-going vessels to proceed to Tortosa, is the only one of importance. Road transport is generally poor, and the character of the country makes the construction of railways very difficult, hence Spain is under a great disadvantage as regards both water and land routes. Madrid is the chief



the size of Ireland. The population is only about 20,000,000, and shows no signs of increasing to any very appreciable extent.

Coast Line. The coast line is very short for the size of the country, and is very regular in outline. In Galicia, lying on the north-west of the peninsula, there is a well-marked coast, and good natural harbours are to be found. The best natural harbours on the Mediterranean are at Barcelona, Cartagena, and Malaga.

Build. The greater part of Spain is occupied by a plateau, known as the Meseta, which has an average elevation of about 2,700 ft in its northern, and about 2,000 ft in its southern, half. The Cantabrian Mountains form its northern boundary, while the Sierra Morena forms its south-eastern edge. "Sierras" or saw-toothed ridges, roughly parallel to each other, and running east and west, separate the lofty plains of the Meseta. Along the eastern edge of the plateau rise four rivers—the Douro, Tagus, Guadiana, and Guadalquivir—of which the three former, flowing south-westward to the Atlantic in deep gorges, are almost useless for commerce or irrigation, it is only when they approach the sea that these rivers cross open country. The Guadalquivir is the most important Spanish river as regards navigation, for the volume of its waters is fairly constant, and it winds with a gentle slope down to the sea. It drains the plain of Andalusia, the chief lowland of Spain. Of rivers flowing to the Mediterranean Sea, the Ebro, which drains the valley between the Pyrenees and the Meseta, is the most important.

Climate. Four climatic regions may be distinguished. The North and North-West, the Meseta, the Andalusian plain, and the Mediterranean lands. The first region has summers neither hot nor very dry, and winters mild and moist, rain occurs at all seasons, and averages about 30 to 40 in annually. The climate of the plateau is characterised by its low rainfall and great extremes of temperature, both daily and seasonal. High mountains prevent rainy winds from reaching the centre, and the average annual rainfall is well below 20 in. Andalusia enjoys a heavier rainfall (30 in and over), and is less subject to extremes. The western margins of the Mediterranean and the Ebro valley possess the typical "Mediterranean" climate of hot, dry summers and mild, wet winters.

Industries and Products. *Agriculture and Food Products.* The Spaniards are largely dependent on agriculture, but their farming does not reach a high standard. Nearly one-quarter of the land is classed as unproductive, and this unproductivity is due to the mountainous nature of the country, the low rainfall in many parts, and the lack of knowledge of scientific farming on the part of the cultivators. The chief crops grown are wheat, barley, oats, and rye. In Old Castile there are great irrigation works, and excellent wheat is produced. On the terraced hill-sides and coastal plains of Valencia, Murcia, and Granada, and in fertile Andalusia, excellent oranges, lemons, grapes, figs, olives, and other fruits are grown. Maize and tobacco flourish on the alluvial plains. Crops, specially characteristic of Spanish agriculture, are chick-peas, garlic, and onions. Esparto grass is a valuable product of the eastern coastal plains, and flax and hemp are grown in the north. Irrigation is essential for successful farming in a great part of Spain, and the Spaniards were provided with excellent examples of irrigation by

the Moors, but they do not, as yet, make the best use of water.

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1912 B No 3191

In the High Court of Justice

KING'S BENCH DIVISION

Writ issued November 14th 1912

BETWEEN

ADELAIDE BROWN

Plaintiff

and

JOHN SMITH

Defendant

STATEMENT OF CLAIM

1 The Plaintiff is a married woman who sues in this action in respect of her separate estate

2 The Defendant is a solicitor of the High Court and was employed by the Plaintiff in the year 1906 to advise her as to the investment of certain moneys and in other business

3 The Defendant as such solicitor in the month of January 1906 advised the Plaintiff to invest the sum of £1000 on a second mortgage of 10 leasehold houses situate in St John's Road Ilford in the County of Essex. The Defendant recommended the said second mortgage to the Plaintiff as an excellent security for that amount

4 The Plaintiff relying upon the advice and the skill of the Defendant invested the said sum of £1000 in the said second mortgage and the Defendant acted as solicitor for the Plaintiff in effecting this investment

5 No solicitor exercising ordinary care and skill would have advised a client to lend money on a security of such a nature as that upon which the Defendant advised the Plaintiff to lend this money

6 The Defendant was further guilty of negligence in not obtaining a report of a surveyor as to the condition and the value of the said property before he advised the Plaintiff to invest money thereon

7 The Defendant is guilty of negligence as a solicitor in not ascertaining the values of a town or provincial deposits require repudial returns to be sent from the branch wharfers showing weekly sale and the different rates of purchases and expense. These returns are compiled into statistical books and compared on basis explained above both as regards annual rates with percentage of increase and decrease regard to turnover and of cost in relation to that over

Statistics dealing with financial matters are dealt under FINANCIAL RETURNS (75)

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and the Deficiency Account cannot be drawn up with absolute accuracy unless time permits of the raising of total accounts, which is rarely the case.

The date at which the Statement of Affairs in Bankruptcy is to be drawn, viz., the day when the Receiving Order was made, must be kept in view throughout. On the Assets Side the cost must be stated where possible, and items calling for special comment are (f) Life Policies, for which the Surrender Value, obtained from the Insurance Company, will be inserted, and Bills of Exchange (j), which will require careful sifting. Also Book Debts (i) must be differentiated as between Good, Doubtful, and Bad, the value put upon Doubtful Debts being in the nature of the case a pure estimate. The assets side is concluded with the Deficiency (See article on DEFICIENCY ACCOUNT). On the Liabilities Side should be noted the column for Gross Liabilities, which is provided to show the total obligations of the trader or firm. The surplus of value of security in the hands of secured creditors is carried to the assets' side, as being the probable sum to be received by the estate on a realisation, but where, for instance, the security consists of real or leasehold property on which there is a second mortgage, it will sometimes be necessary to show the second mortgage debt under the heading of list C (creditors partly secured), deducting from same the surplus estimated after satisfaction of the first mortgage. The probable total liability in respect of bills discounted must be estimated (other than the acceptances of the insolvent trader or firm, which are included amongst the Unsecured Creditors), and accommodation bills must be shown separately. Contingent liabilities should be the subject of careful inquiry, and the individual case must be decided on its merits. The amounts to be included under the headings of distrainable rent, and for preferential rates, taxes, wages, sheriff's charges, etc., involve considerations of law which the space of this article forbids, but the deduction of the amount from the total assets on the Assets Side should be noted, and also that in the statutory form for use in regard to Companies in Liquidation mortgage debentures are shown in like manner. The affidavit at the foot of the form should be sworn by the Debtor when the whole is completed.

STATEMENT OF CLAIM.—This is the formal document put forward by a plaintiff in an action, in which the nature of the claim alleged against the defendant is fully set out, and the grounds upon which the claim is founded. At the same time there must be no prolixity, otherwise the costs unnecessarily incurred will have to be paid by the plaintiff. Generally speaking, facts and facts alone are to be set out in the statement of claim, questions of law being left for the decision of the court. (See PLEADINGS.) A plaintiff has always a right of amending his statement of claim once without leave during the course of the preliminaries, but he is generally bound hard and fast by his document when the trial takes place. If the statement is not sufficiently clear and full, the defendant may, upon good cause being shown, ask for and obtain particulars as to how the statement is made up.

STATION.—This word is used in Custom House documents to signify a warehouse or a group of warehouses.

STATIONERS' HALL.—This building is situated close to Amen Corner, London, E.C., and near to the top of Ludgate Hill. It is the recognised home of the Stationers' Company, an association which

obtained a charter of incorporation in 1556. At one time the company exercised a kind of censorship over the press, and no books could be printed and published without their licence having been first obtained. The catalogue kept by them is a most valuable history of English literature. Until July, 1912, it was chiefly connected with the grant of copyright. After the passing of the Copyright Act, 1842, a register was established and kept at Stationers' Hall, in which the names of books published were entered, if the authors desired to preserve their legal rights and to be able to take action against persons infringing their copyright. The register was very similar to the register of patents and trade-marks. In it were entered all particulars as to copyright, the names and addresses of the owners, notices of assignment, etc. The registration was only necessary in order to give the owner of the copyright the necessary legal position to enable him to take proceedings for infringement, the omission to register did not of itself in any way affect the real ownership of the copyright. Upon the registration of a book, a complete copy of which had to be produced at the time of the application to register, a fee of 5s. was payable. The Copyright Act of 1911 did away with the necessity for registration. (See ENTERED AT STATIONERS' HALL.)

STATIONERY OFFICE.—As its name implies, this is a department which is concerned with the supply of books and various documents, especially those which are required by the various government departments. This office has complete control of all the government printing contracts. The head of the department is called the Controller, though he is also known as the King's Printer. In him is vested the copyright of all publications which are issued under the authority of the government.

STATISTICAL RETURNS.—In all properly conducted businesses, apart from the recognised books of account which record the financial transactions from time to time, it is invariably found that, for the information of boards of directors or such other bodies of management as may exercise executive power, it is necessary to be provided with periodical records of sales, and the different items of expenditure or such other records as may influence trading, such as the condition of markets for raw material, etc.

In the larger establishments—shops of the universal provider variety—conducted on the multiple shop system, where in all probability the central board of management would deliberate at least weekly, it is customary to review the amount of trade done at the close of each week, and to compare the turnover to that point with the weekly turnover in the previous year, both for the week itself and for such number of weeks as had expired since the commencement of the official year, showing in some cases, also, a comparison between the current period and the average for three previous years, with a percentage of increase or decrease, as the case may be. In some instances, especially in the soft goods trade, it is found expedient to supplement these figures with the approximate value of stock on hand, but this is only usually carried out once a month, when a return of all purchases and expenses will also be taken into account and compared with similar figures in the previous year, or for an average of the three previous years, as in the above instance. It is

the Committee fixed a scale of commission. The official scale then fixed was as follows—

Official Scale of Commissions

| | |
|--|--------------------------|
| British Government Securities | |
| Indian Government Stocks | $\frac{1}{2}\%$ on Stock |
| Foreign Government Bonds | |
| Foreign Railway and other Bonds to Bearer | |
| Colonial Government Securities | |
| County Corporation and Provincial | $\frac{1}{2}\%$ on Stock |
| Securities (British Indian Colonial or Foreign) | |
| Bank of England and Bank of Ireland Stock | $\frac{1}{2}\%$ on Money |
| Short dated Securities (having five years or less to run) | At discretion |
| Registered Stocks (other than Railway Ordinary and Deferred Ordinary Stocks) | $\frac{1}{2}\%$ on Money |
| Railway Ordinary and Deferred Ordinary Stocks— | |
| Price £50 or under | $\frac{1}{2}\%$ on Stock |
| £50 to £100 | $\frac{1}{2}\%$ on Stock |
| Over £100 | $\frac{1}{2}\%$ on Stock |
| Shares transferable by deed— | |
| Price 0 50 or under | At discretion |
| Over 0 50 to 0 10 0 | 1½d per Share |
| 0 10 0 to 0 15 0 | 3½d per Share |
| 0 15 0 to 0 20 0 | 4½d per Share |
| 0 20 0 to 0 25 0 | 6½d per Share |
| 0 25 0 to 0 30 0 | 7½d per Share |
| 0 30 0 to 0 35 0 | 9½d per Share |
| 0 35 0 to 0 40 0 | 11½d per Share |
| 0 40 0 to 0 45 0 | 13½d per Share |
| 0 45 0 to 0 50 0 | 15½d per Share |
| 0 50 0 to 0 55 0 | 17½d per Share |
| 0 55 0 to 0 60 0 | 19½d per Share |
| 0 60 0 to 0 65 0 | 21½d per Share |
| 0 65 0 to 0 70 0 | 23½d per Share |
| 0 70 0 to 0 75 0 | 25½d per Share |
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| 9 85 0 to 9 90 0 | 391½d per Share |
| 9 90 0 to 9 95 0 | 393½d per Share |
| 9 95 0 to 10 00 0 | 395½d per Share |
| 10 00 0 to 10 05 0 | 397½d per Share |
| 10 05 0 to 10 10 0 | 399½d per Share |
| 10 10 0 to 10 15 0 | 401½d per Share |
| 10 15 0 to 10 20 0 | 403½d per Share |
| 10 20 0 to 10 25 0 | 405½d per Share |
| 10 25 0 to 10 30 0 | 407½d per Share |
| 10 30 0 to 10 35 0 | 409½d per Share |
| 10 35 0 to 10 40 0 | 411½d per Share |
| 10 40 0 to 10 45 0 | 413½d per Share |
| 10 45 0 to 10 50 0 | 415½d per Share |
| 10 50 0 to 10 55 0 | 417½d per Share |
| 10 55 0 to 10 60 0 | 419½d per Share |
| 10 60 0 to 10 65 0 | 421½d per Share |
| 10 65 0 to 10 70 0 | 423½d per Share |
| 10 70 0 to 10 75 0 | 425½d per Share |
| 10 75 0 to 10 80 0 | 427½d per Share |
| 10 80 0 to 10 85 0 | 429½d per Share |
| 10 85 0 to 10 90 0 | 431½d per Share |
| 10 90 0 to 10 95 0 | 433½d per Share |
| 10 95 0 to 11 00 0 | 435½d per Share |
| 11 00 0 to 11 05 0 | 437½d per Share |
| 11 05 0 to 11 10 0 | 439½d per Share |
| 11 10 0 to 11 15 0 | 441½d per Share |
| 11 15 0 to 11 20 0 | 443½d per Share |
| 11 20 0 to 11 25 0 | 445½d per Share |
| 11 25 0 to 11 30 0 | 447½d per Share |
| 11 30 0 to 11 35 0 | 449½d per Share |
| 11 35 0 to 11 40 0 | 451½d per Share |
| 11 40 0 to 11 45 0 | 453½d per Share |
| 11 45 0 to 11 50 0 | 455½d per Share |
| 11 50 0 to 11 55 0 | 457½d per Share |
| 11 55 0 to 11 60 0 | 459½d per Share |
| 11 60 0 to 11 65 0 | 461½d per Share |
| 11 65 0 to 11 70 0 | 463½d per Share |
| 11 70 0 to 11 75 0 | 465½d per Share |
| 11 75 0 to 11 80 0 | 467½d per Share |
| 11 80 0 to 11 85 0 | 469½d per Share |
| 11 85 0 to 11 90 0 | 471½d per Share |
| 11 90 0 to 11 95 0 | 473½d per Share |
| 11 95 0 to 12 00 0 | 475½d per Share |
| 12 00 0 to 12 05 0 | 477½d per Share |
| 12 05 0 to 12 10 0 | 479½d per Share |
| 12 10 0 to 12 15 0 | 481½d per Share |
| 12 15 0 to 12 20 0 | 483½d per Share |
| 12 20 0 to 12 25 0 | 485½d per Share |
| 12 25 0 to 12 30 0 | 487½d per Share |
| 12 30 0 to 12 35 0 | 489½d per Share |
| 12 35 0 to 12 40 0 | 491½d per Share |
| 12 40 0 to 12 45 0 | 493½d per Share |
| 12 45 0 to 12 50 0 | 495½d per Share |
| 12 50 0 to 12 55 0 | 497½d per Share |
| 12 55 0 to 12 60 0 | 499½d per Share |
| 12 60 0 to 12 65 0 | 501½d per Share |
| 12 65 0 to 12 70 0 | 503½d per Share |
| 12 70 0 to 12 75 0 | 505½d per Share |
| 12 75 0 to 12 80 0 | 507½d per Share |
| 12 80 0 to 12 85 0 | 509½d per Share |
| 12 85 0 to 12 90 0 | 511½d per Share |
| 12 90 0 to 12 95 0 | 513½d per Share |
| 12 95 0 to 13 00 0 | 515½d per Share |
| 13 00 0 to 13 05 0 | 517½d per Share |
| 13 05 0 to 13 10 0 | 519½d per Share |
| 13 10 0 to 13 15 0 | 521½d per Share |
| 13 15 0 to 13 20 0 | 523½d per Share |
| 13 20 0 to 13 25 0 | 525½d per Share |
| 13 25 0 to 13 30 0 | 527½d per Share |
| 13 30 0 to 13 35 0 | 529½d per Share |
| 13 35 0 to 13 40 0 | 531½d per Share |
| 13 40 0 to 13 45 0 | 533½d per Share |
| 13 45 0 to 13 50 0 | 535½d per Share |
| 13 50 0 to 13 55 0 | 537½d per Share |
| 13 55 0 to 13 60 0 | 539½d per Share |
| 13 60 0 to 13 65 0 | 541½d per Share |
| 13 65 0 to 13 70 0 | 543½d per Share |
| 13 70 0 to 13 75 0 | 545½d per Share |
| 13 75 0 to 13 80 0 | 547½d per Share |
| 13 80 0 to 13 85 0 | 549½d per Share |
| 13 85 0 to 13 90 0 | 551½d per Share |
| 13 90 0 to 13 95 0 | 553½d per Share |
| 13 95 0 to 14 00 0 | 555½d per Share |
| 14 00 0 to 14 05 0 | 557½d per Share |
| 14 05 0 to 14 10 0 | 559½d per Share |
| 14 10 0 to 14 15 0 | 561½d per Share |
| 14 15 0 to 14 20 0 | 563½d per Share |
| 14 20 0 to 14 25 0 | 565½d per Share |
| 14 25 0 to 14 30 0 | 567½d per Share |
| 14 30 0 to 14 35 0 | 569½d per Share |
| 14 35 0 to 14 40 0 | 571½d per Share |
| 14 40 0 to 14 45 0 | 573½d per Share |
| 14 45 0 to 14 50 0 | 575½d per Share |
| 14 50 0 to 14 55 0 | 577½d per Share |
| 14 55 0 to 14 60 0 | 579½d per Share |
| 14 60 0 to 14 65 0 | 581½d per Share |
| 14 65 0 to 14 70 0 | 583½d per Share |
| 14 70 0 to 14 75 0 | 585½d per Share |
| 14 75 0 to 14 80 0 | 587½d per Share |
| 14 80 0 to 14 85 0 | 589½d per Share |
| 14 85 0 to 14 90 0 | 591½d per Share |
| 14 90 0 to 14 95 0 | 593½d per Share |
| 14 95 0 to 15 00 0 | 595½d per Share |
| 15 00 0 to 15 05 0 | 597½d per Share |
| 15 05 0 to 15 10 0 | 599½d per Share |
| 15 10 0 to 15 15 0 | 601½d per Share |
| 15 15 0 to 15 20 0 | 603½d per Share |
| 15 20 0 to 15 25 0 | 605½d per Share |
| 15 25 0 to 15 30 0 | 607½d per Share |
| 15 30 0 to 15 35 0 | 609½d per Share |
| 15 35 0 to 15 40 0 | 611½d per Share |
| 15 40 0 to 15 45 0 | 613½d per Share |
| 15 45 0 to 15 50 0 | 615½d per Share |
| 15 50 0 to 15 55 0 | 617½d per Share |
| 15 55 0 to 15 60 0 | 619½d per Share |
| 15 60 0 to 15 65 0 | 621½d |

and the Committee to be appointed by such ballot shall remain in office until the 25th day of March then next following. Every ballot for the election of the Committee for General Purposes, or for supplying vacancies in the Committee, shall be held at The Stock Exchange, and, except as specially provided by these presents, shall be conducted in accordance with the existing practice and usage in reference to such elections. In case of dispute as to what such practice and usage has been in any particular, the Committee shall from time to time determine the same by Resolution—*Deed of Settlement*, sect. xh, cl. 90.

2—(1) No person shall be elected to the said Committee for General Purposes who shall not for the space of five years immediately preceding the day of election have been a Member, and every person on ceasing to be a Member shall *ipso facto* vacate his seat on the Committee—*Deed of Settlement*, sect. xii, cl. 91.

(2) Every Member is entitled to vote although he may not have paid his subscription.

3—(1) Any occasional vacancy in the said Committee for General Purposes shall be filled up by a ballot of Members to be held for the purpose on a day to be fixed by the Committee for General Purposes, and of which Seven days' previous notice shall be given by the same being publicly exhibited in The Stock Exchange. Similar notice of nomination shall be given as provided by Clause 90. The surviving or continuing Members on the Committee, notwithstanding any vacancy in their number, may act until the same shall be filled up—*Deed of Settlement*, sect. xii, cl. 92.

(2) Any person elected to supply an occasional vacancy in the said Committee shall hold office for the residue of the year in which he shall be elected, and shall then retire with the other Members of the said Committee—*Deed of Settlement*, sect. xii, cl. 93.

4—(1) The said Committee for General Purposes shall meet at such times as they may from time to time appoint, and shall determine their own quorum (the same to be not less than Seven Members actually present), and mode of procedure—*Deed of Settlement*, sect. xii, cl. 98.

(2) Until otherwise determined, the quorum of the said Committee shall be Seven Members personally present—*Deed of Settlement*, sect. xii, cl. 99.

5—The said Committee for General Purposes shall regulate the transaction of business on The Stock Exchange, and may make rules and regulations not inconsistent with the provisions of these presents respecting the mode of conducting the ballot for the election of the Committee and respecting the admission, expulsion or suspension of Members and their clerks, and the mode and conditions in and subject to which the business on The Stock Exchange shall be transacted, and the conduct of the persons transacting the same, and generally for the good order and government of the Members of The Stock Exchange, and may from time to time amend, alter or repeal such Rules and Regulations, or any of them, and may make any new, amended or additional rules and regulations for the purposes aforesaid—*Deed of Settlement*, sect. xii, cl. 95.

6—(1) At their first ordinary Meeting after the Annual Election, the Committee shall elect from amongst themselves a Chairman and Deputy-Chairman, who shall respectively hold office till the

25th of March next ensuing. In case either appointment shall become vacant, it shall be filled up as soon afterwards as possible. When the Chairman and Deputy-Chairman are absent, the Meeting shall appoint a Chairman.

(2) In all cases when on a division the votes are equal, the Chairman shall have a second or casting vote.

7—At the first Meeting of the Committee, one of the Members of The Stock Exchange shall be chosen Secretary, who shall hold his office during their pleasure.

8—Three or more Members shall be appointed by the Committee to act as Scrutineers at elections, who shall report the result of the ballot to the Committee and to The Stock Exchange.

9—(1) A Meeting of the Committee shall be held every Monday at a Quarter-past One o'clock, commencing on the first Monday after each annual election.

(2) A Special Meeting of the Committee may be called at any time by the Chairman or Deputy-Chairman, or, in their absence or in case of their refusal, by any three Members of the Committee. One hour's notice at least of such Meeting shall be posted in The Stock Exchange.

10—(1) A Resolution of the Committee shall not be valid or put in force until confirmed, unless it relate to the shutting of the House, the admission of Members, or Clerks, the re-admission of Defaulters, the authorisation to carry on Arbitrage business, the fixing of ordinary settling days or the granting or refusing of special settlements and official quotations.

(2) If a Resolution be not confirmed, and another Resolution be substituted, the substituted Resolution shall also require confirmation at a subsequent Meeting.

(3) In cases which do not admit of delay, two-thirds of the Committee present must concur in favour of the immediate confirmation of the Resolution, and the urgency of the case must be stated on the Minutes.

11—In all cases brought under the consideration of the Committee, their decision, when confirmed, is final and shall be carried out forthwith by every Member concerned.

12—Notice shall be given in writing of any proposal to alter or add to the Rules, and a copy of such proposal shall be sent to each Member of the Committee.

13—All communications to the Committee shall be made in writing, and no anonymous letter shall be acted upon.

14—Members and their Clerks shall attend the Committee when required, and shall give such information as may be in their possession relative to any matter under investigation.

15—The Committee may expel any of their own Members from the Committee who may be guilty of improper conduct. The Resolution for expulsion must be carried by a majority of two-thirds in a Committee specially summoned for the purpose, and consisting of not less than Twelve Members, and must be confirmed by a majority of the Committee, at a subsequent Meeting specially summoned.

16—(1) The Committee may expel or suspend any Member who may violate any of the Rules or Regulations.

(2) The Committee may expel or suspend any

Member who may fail to comply with any of the Committee's decisions.

(3) The Committee may expel or suspend any Member who may be guilty of dishonourable or disgraceful conduct.

17.—The Committee may censure or suspend any Member of The Stock Exchange who in his conduct or business may act in a manner detrimental to the interests of The Stock Exchange or unbecoming the character of a Member or who may conduct himself in an improper or disorderly manner or wilfully obstruct the business of the House.

18.—A Resolution for expulsion or suspension must be carried by a majority of three-fourths of a Committee present at a Meeting specially summoned and consisting of not less than Twelve Members and must be confirmed by a majority of a Committee present at a subsequent Meeting specially summoned.

19.—The Committee for General Purposes for the time being may in their absolute discretion and in such manner as they may think fit notify or cause to be notified to the public that any Member has been expelled or has become a Defaulter or has been suspended or has ceased to be a Member and the name of such Member. No action or other proceeding shall under any circumstances be maintainable by the person referred to in such notification against any person publishing or circulating the same and this Rule shall operate as leave to any person to publish and circulate such notification and be pleadable accordingly.

20.—The Committee may dispense with the strict enforcement of any of the Rules or Regulations under the following conditions—

(i) A Resolution for this purpose must be carried by a majority of three-fourths of a Committee present at a Meeting specially summoned and consisting of not less than Twelve Members.

(ii) Except in the case of the matters exempted from confirmation by the first clause of Rule 10 the Resolution must be confirmed by a majority of a Committee present at a subsequent Meeting specially summoned.

Re-elections, Admissions and Re-admissions.
21.—(1) The Committee shall on the first Monday in March proceed to re-elect such Members and admit such candidates as they shall deem eligible to be Members of The Stock Exchange for One year commencing on the 25th of March then instant.

(2) A Member re-elected, admitted or re-admitted shall become liable for the amount of Subscription and Fees fixed by the Trustees and Managers.

22.—Every Member or Applicant for Re-election Admission or Re-admission shall declare whether he proposes to act as a Broker, Dealer or Clerk, or that he is not engaged in active business and no Member shall alter his status from Broker to Dealer or from Dealer to Broker without first giving one month's notice to the Committee which notice shall forthwith be posted in the House.

23.—(1) A Member desirous of being re-elected shall in each year address to the Secretary a letter of the Form No. 1 in the Appendix.

(2) Each Member of a partnership is required to sign a separate letter.

24.—(1) A Member who is not desirous of being re-elected in any year shall notify to the Secretary his intention not to apply for Re-election. Notwithstanding this Notice he may apply at any time

during the current Stock Exchange year on Form No. 1 in the Appendix provided he has not exercised his right of nomination or become ineligible under Rules 30 or 31.

(2) A Member in his surerities availing himself of this Rule shall be required to obtain the written consent of his surerities to an extension of their liability equivalent to the unexpired period (Appendix Form No. 2).

25.—(1) A former Member who has discontinued his subscription for One year under Rule 24 and who has not exercised his right of nomination or become ineligible under Rules 30 or 31 may apply for Re-election on Form 3 in the Appendix with two recommenders without security such recommenders being qualified as laid down in the first clause of Rule 34.

(2) A Notice of such application shall be posted in The Stock Exchange for at least Eight days before its submission to the Committee.

(3) A former Member availing himself of this Rule while in his surerities shall be required to obtain the written consent of his surerities to an extension of their liability equivalent to the unexpired period (Appendix Form No. 2).

26.—(1) A Candidate for admission except Candidates under Rule 25 shall be required to obtain the nomination of a Member willing to return in his favour or of a former Member or of the legal personal representatives of a deceased Member. The nomination shall be on one of the forms in Appendix J which shall only be issued on receipt of a written application signed by the nominator and containing the full name of the nominee.

(2) A Candidate nominated by an existing Member shall not be balloted for until the resignation of the nominating Member has been accepted by the Committee.

(3) Nominations by other than existing Members must be executed and lodged with the Secretary within Twelve months of the death or resignation of the Member or in the event of his discontinuing his subscription within the current Stock Exchange year. If not so exercised the right of nomination shall lapse.

(4) A nominee must be eligible under these Rules and if a Clerk applying for Admission with Two surerities must have completed the service required by clause 2 of Rule 32 before the expiry of the right of nomination.

(5) If a nominee be rejected a further nomination may be lodged within the prescribed period.

(6) In the case of a deceased Member the probate of the will or letters of administration must be exhibited to the Secretary before the issue of the nomination form.

27.—(1) The right of nomination shall be personal and non transferable.

(2) The right of nomination shall not be exercised by a Defaulter by a person who is expelled or who ceases to be a Member under Rule 161 or in consequence of his failing to aquire or hold the share or shares required by Rules 39 or 42 or by any person ceasing to be a Member whilst under suspension.

(3) The right of nomination shall not be exercised by a Member who after the 24th March, 1911, re-elected with two Recommenders under Rule 25 or re-admitted under Rules 40 or 49 within Four years of his re-election or re-admission but in the event of the decease of such Member prior to such

time, his legal personal representatives may exercise the right of nomination

(4) A Member admitted without nomination shall not exercise the right of nomination until after the term of the liability of his sureties shall have expired by effluxion of time, but, in the event of the decease of such Member prior to such time, his legal personal representatives may exercise the right of nomination

(5) A Defaulter shall not be required to obtain a nomination before re-admission

28—(1) The Committee shall, at a Special Meeting held in December of every year, fix the number of admissions for the year commencing the 25th March following, to be open to Candidates with Two recommenders without nomination. The Resolution fixing the number of Candidates to be so admitted shall not be valid or put in force until confirmed

(2) A Clerk having completed Four years' service in The Stock Exchange or the Settling Room in accordance with clause 2 of Rule 32, may apply on the Form No 16 in the Appendix to be placed on the waiting list of Candidates for election without nomination

(3) The names of Clerks so applying shall be placed upon the waiting list in the order of application, and the list shall be posted in The Stock Exchange in December of each year

(4) Those within the number fixed by the Committee may be balloted for on or after the first Monday in March for the ensuing Stock Exchange year, provided that their application forms duly signed and complete in all respects be lodged with the Secretary at least Eight days before the ballot

(5) A Candidate, within the number fixed by the Committee, who fails to lodge a complete application form within One month from the date of his having the right to do so, shall be placed at the bottom of the waiting list, and the next in order of priority shall be entitled to lodge an application form

(6) A Candidate, whose name has been so placed at the bottom of the waiting list, shall be altogether removed from that list if he fail to apply for Membership when he next has the right to do so

(7) The Committee may at any time remove any name from the waiting list

(8) The name of a Clerk who ceases to have admission to the House or the Settling Room for a period of Six consecutive months, shall be removed from the waiting list

(9) A Candidate, whose name has been removed from the waiting list, and who desires to be re-instated, must make a special application to the Committee

29—A Candidate, who has been a Foreign Subject, is ineligible until he has been naturalised for a period of Two years, and a resident in this country for Seven years

30—A Candidate is ineligible, if he be engaged as Principal or Employee in any business other than that of The Stock Exchange, or if his wife be engaged in business, or if he be a member of or subscriber to or be a Shareholder or Debenture holder in any other institution where dealings in Stocks or Shares are carried on, and if, subsequently to his admission, he shall become subject to any one of these objections he shall cease to be a Member, upon Resolution of the Committee to that effect

31—(1) A Candidate is ineligible, who has been

a bankrupt, or against whom a Receiving Order in Bankruptcy has been made, or who has been proved to be insolvent, or who has compounded with his creditors, unless he shall have paid 20s in the £, and obtained a full discharge

(2) A Candidate is ineligible, who has more than once been a bankrupt or insolvent, or compounded with his creditors

32—(1) A Candidate for admission must be recommended by Three Members of not less than Four years' standing, who have fulfilled all their engagements and are not indemnified. Each recommender must engage to pay Five hundred pounds to the creditors of the Candidate, in case the latter shall be declared a Defaulter within Four years from the date of his admission. (Appendix Form No 4)

(2) If the Candidate has served as a Clerk in the House or the Settling Room for Four years, with a minimum service in the House of Three years, previously to the lodging of his complete application form, Two recommenders only shall be required, who must each enter into an engagement as above mentioned but for Three hundred pounds. A Clerk, who previously to his employment in The Stock Exchange shall have been engaged as Principal in any business, shall only be eligible for admission as a Member with Three sureties for Five hundred pounds each. (Appendix Form No 5)

(3) A Notice of each application with the names of the recommenders, stating that they are not and do not expect to be indemnified, shall be posted in The Stock Exchange at least Eight days before the Candidate can be balloted for

33 Recommenders are required to have such personal knowledge of the Candidate, and of his past and present circumstances, as shall satisfy the Committee as to his eligibility

34—(1) A Candidate may be recommended by a firm, but not by Two Members of the same firm, nor by a Member who is an Authorised or Unauthorised Clerk, nor by a Member whose Authorised Clerk the Candidate may be, nor by a Member whose sureties are still liable

(2) A Member shall not be surety for more than Two new Members at the same time, unless he take up an unexpired suretyship, when the limit shall be Three

(3) If a Member enter into partnership with or become Authorised Clerk to one of his sureties, or if any one of his sureties cease to be a Member during his liability, he shall find a new surety for such portion of the time as shall remain unexpired, and until such substitute is provided, the Committee will prohibit his entrance to The Stock Exchange

35—A Member, intending to object to the re-election of a Member, the admission of a Candidate or the re-admission of a Defaulter, shall communicate the grounds of his objection to the Committee by letter previously to the re-election or ballot

36—The Chairman shall require every Candidate to acknowledge his signature to the form of application, shall ask each of the recommenders of a Candidate the following questions—

(i) Has the applicant ever been a bankrupt, or has he ever compounded with his creditors? and if so, within what time and what amount of dividend has been paid?

(ii) Would you take his cheque for Three thousand pounds in the ordinary way of business?

(iii) Do you consider he may be safely dealt with in securities for the Account?

and shall put such further questions as may be deemed necessary.

37—The election of new Members shall be by ballot and must be carried by a majority of three-fourths in a Committee of not less than Twelve Members.

38—If an applicant for re-election admission or re-admission be rejected, he shall not be balloted for again before the 20th of March then next ensuing.

39—(1) A Member on his election shall before exercising any of the privileges of Membership become a proprietor in The Stock Exchange by acquiring One share in the case of a Member admitted with two sureties or Three shares in the case of a Member admitted with Three sureties. Should a Member who requires a share qualification fail to obtain the same within Six months his election shall be cancelled.

(2) The Secretary shall not issue his admission notice to a new Member until it has been reported to him by the Secretary to the Trustees and Managers that the new Member has been duly registered as a proprietor of the required number of shares.

(3) A Member who shall transfer the share or shares constituting his qualification shall forthwith cease to exercise any of the privileges of Membership and shall cease to be a Member upon Resolution of the Committee to that effect.

40—(1) A notice of every Defaulter applying for re-admission shall at the discretion of the Committee be posted without recommenders in The Stock Exchange at least Twenty-one days and the Committee shall then take the application into consideration upon the report of a Sub-Committee appointed according to Rule 43.

(2) After a Defaulter has been re-admitted by ballot he shall be placed in the first or second class as laid down in Rule 44 and posted accordingly.

(3) A Defaulter may be re-admitted without the above notice in any case where upon the report of the Sub-Committee it is proved that all liabilities have been *bond fide* discharged in full. In such case his name shall be posted as having paid 20s. in the £.

41—Defaulters declared within Four years of their admission as Members and Defaulters who have been rejected upon Two ballots can only be re-admitted by a majority of three-fourths in a Committee specially summoned and consisting of not less than Twelve Members.

42—(1) A Defaulter who shall have been originally admitted a Member after the 23rd November 1904 and who shall have parted with his share qualification shall on re-admission before again exercising any of the privileges of Membership become a proprietor of One share in The Stock Exchange. Should a Defaulter who requires a share qualification fail to obtain the same within Six months his re-admission shall be cancelled.

(2) The Secretary shall not issue his re-admission notice to such a Defaulter until it has been reported to him by the Secretary to the Trustees and Managers that the Defaulter has been duly registered as a proprietor of One share.

(3) A re-admitted Defaulter who shall transfer the share constituting his qualification shall forthwith cease to exercise any of the privileges of Membership and shall cease to be a Member upon Resolution of the Committee to that effect.

43—(1) Upon any application for re-admission by a Defaulter a Sub-Committee shall investigate his conduct and accounts and no further proceedings shall be taken by the Committee with regard to his re-admission until the Report of such Sub-Committee shall have been submitted together with a statement as to the Defaulter's estate signed by himself.

(2) The attention of the Sub-Committee shall be directed—

(i) To ascertain the amount of the greatest balance of securities open at any time during the Account and at the time of failure, the total amount of his business assets, the current balance at his bankers and whether the transactions were on his own account, or on account of principals specifying the amount in each case.

(ii) To ascertain the total amount paid to his estate specifying the sums collected in The Stock Exchange those received from principal and those from the Defaulter himself.

(iii) To ascertain the conduct of the Defaulter preceding and subsequent to his failure and to enquire of the Official Assignees whether any matter prejudicial or otherwise to the Defaulter's application has transpired at any meeting of creditors or has officially come to their knowledge elsewhere.

(iv) To ascertain whether the Defaulter has violated Rule 47.

44—The re-admission of Defaulters shall be in one of two Classes—

The First Class to be for cases of failure arising from the default of principals or from other circumstances where no bad faith or breach of the Rules and Regulations of The Stock Exchange has been practised where the operations have been in reasonable proportion to the Defaulter's means or resources and where his general conduct has been irreproachable.

The Second Class for cases marked by indiscretion and by the absence of reasonable caution.

45—A Defaulter shall not be eligible for re-admission who fails to give up the name of any principal indebted to him or who has not within Fourteen days from the date of his failure delivered to the Official Assignees or to his creditors his original books and accounts and a statement of the sums owing to and by him in The Stock Exchange at the time of his failure.

46—A Defaulter shall not be eligible for re-admission who shall not have paid from his own resources independently of his security money at least one-third of the balance of any loss that may occur on his transactions whether on his own account or that of principals or who in the event of his debts being less than the amount which his sureties may be called upon to pay shall not have refunded to the sureties on third of the amount paid by them.

47—A Member who issues or retains a Ticket for Securities where a loss is incurred or increased and who shall be declared a Defaulter in that Account shall not be eligible for re-admission for at least One year from the date of such default provided that he proved to the satisfaction of the Committee that he knew himself to be insolvent at the time of issuing or retaining the Ticket.

48—The Secretary of a New Member who at the time of such Member's admission shall have avowed that he was not a defaulter and that he did not expect to be indemnified and who shall subsequently receive

any indemnity, shall in the event of the New Member failing within the time of his liability, be compelled to pay to the creditors any sum so received, in addition to the amount for which he originally became surety

49—A former Member, not a Defaulter, who shall have ceased to be a Member under Rule 161, and who shall have paid 20s in the £, may apply for re-admission with Two sureties of £300 each

50—A Member wishing to resign his Membership must forward to the Secretary a letter tendering such resignation, and a copy of this letter shall be posted in The Stock Exchange for at least four weeks before the matter is entertained by the Committee

Partnerships. 51—(1) In every year, as soon as possible after the 25th March, a list of partnerships shall be made out by the Secretary

(2) In case of a new, or alteration in an old partnership, the same shall be forthwith communicated to the Committee, and no partnership shall be considered as altered or dissolved until such communication be made

(3) All notices relative to partnerships must, unless otherwise ordered by a Committee specially summoned for that purpose be signed by the parties, countersigned by the Secretary and posted in The Stock Exchange

(4) A Member who shall enter into any contract with another Member for a Loan of money or Securities on terms contingent on or varying with the profits of the business shall be liable as a general partner. Members entering into such contracts shall notify the same as General Partnerships

52—The failure of a firm dissolves the partnership, and, should the members of such firm, when re-admitted, desire to renew the partnership, notice thereof must be given to the Committee in the usual way

53—(1) A Member of The Stock Exchange shall not enter into partnership with any person who is not a Member

(2) A Member shall not borrow money or Securities from a Non-Member on terms that the lender shall receive a rate of interest varying with the profits or shall receive a share of the profits arising from carrying on the borrower's business

(3) Partnerships between Brokers and Dealers are prohibited

(4) A Member during the liability of his sureties shall not form a partnership without their consent, communicated in writing to the Committee

54—(1) Members dealing generally together in any particular Securities and participating in the result, shall be held responsible for the liabilities of each other, not only in the Securities in which they are jointly interested, but also in any other description of Securities in which either of them may transact business, unless they shall have forwarded a written notice (Appendix Form No 17) to the Secretary, specifying the particular Securities in which they deal on joint account

(2) Market Partnerships are only permitted between Members or Firms, who each deal and settle their bargains in their own name

(3) No Market Partnership shall consist of more than two Members or Firms, nor shall such Partnership be carried on in any other Markets than those in which both parties are dealing

(4) All Market Partnerships must be notified to the Secretary and posted in The Stock Exchange

Clerks. 55—A Member desirous of obtaining the

admission of a Clerk to the House or the Settling Room, or of authorising a Clerk to transact business, or of employing another Member as his Clerk, including any Member who is acting as his office Clerk or is under any arrangement for the sharing of Commissions, shall apply for the permission of the Committee on one of the Forms 18, 19 or 20 in the Appendix

56—(1) A Member may be permitted to introduce Three Clerks to the House, One of whom may be Authorised, also Two Settling Room Clerks

(2) A Firm may be permitted to introduce Five Clerks to the House, Two of whom may be Authorised, also Four Settling Room Clerks

(3) Members may be employed as Unauthorised Clerks in excess of the numbers above allowed, and Members may be employed as Authorised Clerks in excess of the numbers above allowed, with a limit of One for an individual Member or Two for a firm

57—A Member desirous of employing a temporary Clerk in lieu of a Clerk absent at Territorial Training shall apply on one of the Forms 21 or 22 in the Appendix, subject to the Regulations printed thereon

58—A Member renting a seat in the Decoding Room shall apply for permission to register a Clerk on Form 23 in the Appendix, subject to the Regulations printed thereon

59—A Member employed as Clerk, whether Authorised or Unauthorised, shall not make any bargain in his own name

60—A Member who was acting as Clerk to a Defaulter at the time of default, to a person who has ceased to be a Member by expulsion or under Rule 161, or to a Member under suspension, shall not make any bargain in his own name, nor shall he be admitted as Authorised Clerk to another Member until he has obtained the permission of a Committee specially summoned for that purpose

61—A Member applying for the admission of a Clerk must satisfy the Committee—

(i) That the Clerk is of the requisite age, *i.e.*, for an Authorised Clerk 21, for an Unauthorised or Settling Room Clerk 17, and would be in all other respects eligible for admission as a Member

(ii) That he has obtained a satisfactory Reference from the Clerk's last employer

(iii) That he has a sufficient knowledge of the Clerk's previous career

62—(1) A Member may apply for the admission of a Defaulter as his Clerk, either Authorised or Unauthorised, or to the Settling Room, though the Defaulter may not have complied with Rule 46

(2) A notice of such application shall be posted in the Stock Exchange for at least Twenty-one days, and the Committee shall then take the application into consideration upon the report of the Sub-Committee appointed according to Rule 43

(3) A resolution allowing such application must be carried by a majority of three-fourths of those present

(4) The foregoing procedure shall not apply in the case of a Defaulter who has previously been re-admitted as a Clerk

63—When application is made for the admission as a Clerk of a person who has previously been engaged in business out of The Stock Exchange, the name and address of such person, together with the name of the Member applying for his admission, shall be posted in The Stock Exchange Eight days

prior to the application being considered by the Committee

64—(1) A Clerk shall not be authorised to transact business until he has been admitted to the House or the Settling Room for Two years with a minimum service in the House of One year

(2) A Member the liability of whose sureties is unexpired must obtain their consent in writing before applying for the admission of an Authorised Clerk.

(3) A list of Authorised Clerks distinguishing those who are also Members and the names of their employers shall be posted in The Stock Exchange

(4) The Authorised Clerk of a Dealer shall not transact business in any Market other than that in which his employer deals

(5) A Member authorising a Clerk to transact business shall not be held answerable for money borrowed by the Clerk without security unless he shall have given special authority for that purpose

65—An Unauthorised or Settling Room Clerk not being a member shall wear a distinctive badge in the lapel of his coat and his employer shall be responsible for the badge being worn in accordance with the Regulations laid down in Appendix 30

66—A Clerk shall not enter the House or the Settling Room nor shall an Authorised Clerk do a bargain until his employer shall have received from the Secretary notice of his admission or authorisation (Appendix Forms Nos 24 '25 '26 '27 and 28)

67—A Member parting with a Clerk or with drawing his authorisation shall give notice in writing to the Secretary who shall forthwith communicate the same to The Stock Exchange in the usual manner

68—(1) Clerks of Defaulters are excluded from The Stock Exchange

(2) Clerks of deceased Members may by permission of Two Members of the Committee enter the House for the purpose of adjusting unsettled accounts

General Rules 69—The Stock Exchange does not recognise in its dealings any other parties than its own Members every bargain therefore whether for account of the Member effecting it or for account of a principal must be fulfilled according to the Rules Regulation and usages of The Stock Exchange

70—An application which has for its object to annul any bargain in The Stock Exchange shall not be entertained by the Committee except upon a specific allegation of fraud or wilful misrepresentation or upon *prima facie* evidence of such material mistake in the bargain as in their judgment renders the case one in which it is fitting for their adjudication

71—All disputes between Members not affecting the general interest of The Stock Exchange shall be referred to the arbitration of a Member or Members of The Stock Exchange and the Committee will not take into consideration such disputes unless arbitrators cannot be found or are unable to come to a decision

72—(1) A Member shall not attempt to enforce by law against another Member a claim arising out of a Stock Exchange transaction without the consent of the Committee

(2) The Committee have power to intervene in cases where the principal of a Member shall attempt to enforce by law a claim against another Member

which is not in accordance with the Rules Regulations and usages of The Stock Exchange and will deal with such cases as the circumstances may require

73—If a Non Member shall make any complaint against a Member the Committee shall in the first place consider whether the complaint is fitting for their adjudication and in the event of their deciding in the affirmative the Non Member shall previously to the case being heard by the Committee sign the Form of Reference No 31 in the Appendix

74—A Member of the Stock Exchange is not allowed to advertise for business purposes or to issue Circulars or business communications to persons other than his own Principal

75—A Broker issuing a contract note shall in such a form as will provide that the word "Member of The Stock Exchange London" shall immediately follow the signature

76—A Member shall not transact special business directly or indirectly for or with an Official or Clerk in any public or private establishment without the knowledge of his employer

77—A Member shall not do a private bargain with an individual member of a firm in The Stock Exchange such bargain being wilfully concealed from the firm

78—A Member or Authorised Clerk shall not do a bargain with a Clerk whether a Member or not for account of such Clerk

79—A Member shall not transact business for a principal who to his knowledge is in default to another Member unless such principal shall have made a satisfactory arrangement with his creditors

80—No Member or Authorised Clerk shall carry on business in the double capacity of Broker and Dealer

81—A Broker shall not make prices or otherwise carry on the business of a Dealer He shall not carry on Shunting business nor shall he carry on Arbitrage business except as authorised under Rule 86

82—(1) A Broker shall not receive brokerage from more than one principal on a transaction carried through directly between two Principals and each contract note shall state that the bargain has been done between Non Members

(2) A Dealer who puts business through for a Broker is responsible for the accuracy of the price at which the bargains are entered

(3) A Broker may not put business through for another Broker

83—A Broker shall not execute an order with a Non Member unless thereby he can deal for his Principal to greater advantage than with a Member In such a case he shall not receive brokerage from such Non Member and each contract note shall state that the bargain has been done between Non Members

84—A Broker shall not have Commission with a Clerk to a Dealer

85—A Dealer shall not deal for or with a Non Member He shall not carry on Shunting business nor shall he carry on Arbitrage business except as authorised under Rule 86

86—Subject to annual authorisation by the Committee a Member whether a Broker or Dealer may carry on Arbitrage business outside the United Kingdom with a Non Member but a Broker or authorised clerk shall not make prices or otherwise carry on the business of a Dealer and a Dealer or authorised clerk shall not act as an agent by

shall contain the amount and denomination of the Security to be transferred, the name, address and description of the transferee in full, the price, the date and the name of the Member to whom the Ticket is issued. Each intermediate Seller, in succession, to whom such Ticket shall be passed, shall endorse thereon the name of his Seller.

(2) All Tickets representing Securities which, at the time, are subject to arrangement by the Settlement Department, and all Tickets representing Securities dealt in in the Mining Markets which are included in The Stock Exchange Official List of Making-up Prices shall be passed through the accounts at the Making-up Price of the Contango-day, and the Securities paid for at that price, but the consideration money in the deed must be at the price on the Ticket.

(3) The passing of Tickets shall commence at Ten o'clock.

(4) Tickets may be left at the office of the Seller up to Twelve o'clock on Ticket-days, and for Securities dealt in in the Mining Markets up to Two o'clock on the General Contango-day. After these hours all Tickets must be passed in the Settling Room.

(5) Tickets may be placed in the Boxes in the Settling Room up to Eleven o'clock on the Account Day.

(6) Tickets may be issued and passed on the day before the Ticket-day, but the buying-in upon Tickets so issued shall not be allowed until the Eleventh Day after the Ticket-day.

(7) A Member receiving a Ticket from the issuer after Twelve o'clock on the Ticket-day, or for Securities dealt in in the Mining Markets after Two o'clock on the General Contango-day, shall note the fact on the back of the Ticket, and a Member receiving a Ticket after Three o'clock on the Ticket-day, or for Securities dealt in in the Mining Markets after Six o'clock on the General Contango-day, or at any time on any subsequent day, shall mark the date and exact time at which such Ticket is received.

(8) It is also required that the holder of a Ticket at One o'clock,
Half-past One,
Two o'clock
and Half-past Two on the Ticket-day,
or for Securities dealt in in the Mining Markets at Two o'clock and at every half-hour up to Half-past Five on the General Contango-day, shall endorse such times on the back of the Ticket.

(9) Members omitting to note the times thus fixed may become liable for losses occasioned by Selling-out in case undue delay is proved under the provisions of Rule 145.

115—(1) A Member splitting a Ticket shall retain the original Ticket, and, should he fail to do so, he will be required to trace it in case of Selling-out.

(2) Split Tickets must bear the name of the issuer of the original Ticket and must state 'by whom the Ticket is split'.

(3) A Member splitting a Ticket shall pay any increased expense caused by such splitting.

(4) A claim for loss on a Split Ticket shall not be valid unless made by the original Claimant within Three Months after the date of the Ticket, but the Member splitting the Ticket shall be liable to intermediate Claimants for a period of Four Months.

(5) The liability of Members to the Settlement Department for losses on Split Tickets collected by

the Department shall extend for a period of Six Months from the date of the Ticket.

116—A Member not refusing an Antedated Ticket, when tendered as such, takes it with all its liabilities, but if it be passed as an ordinary Ticket, the liabilities remain with the Member putting such Ticket again into circulation. A Member holding an undated Ticket shall not be liable for any loss arising from the Securities having been bought in, unless such Ticket has been Seven days in his possession.

117—A Member who makes an alteration in, or improperly detains a Ticket, shall make good any loss that may occur thereby.

118—(1) The deliverer shall cause the Securities to be transferred at the price marked upon the Ticket.

(2) A Member shall not be compelled to take a Ticket at a price not current in the Market during the Account, unless the bargain represented by such Ticket shall have been made within the Two preceding Accounts.

119—The deliverer may, previous to delivery, pay any call made on registered Securities, although not due, and claim the amount of the issuer of the Ticket.

120—(1) The Buyer of Securities shall pay the *ad valorem* stamp duty and also the transfer registration fee in cases where it has been paid in advance by the Seller.

(2) In the case of a Loan, the borrower shall pay the nominal consideration stamp, the registration fee and the mortgage stamp.

121—(1) The Buyer of Securities may refuse to pay for a transfer deed unaccompanied by the Certificate, unless it be officially certified thereon that the Certificate is at the office of the company. But if the transfer deed be perfect in all other respects, the Securities must not be bought in until reasonable time has been allowed to the Seller to obtain the certification required.

(2) If the Seller have a larger Certificate than the amount of Stock conveyed, or only one Certificate representing Stock conveyed by two or more transfer deeds, the Certificate may be deposited with the Secretary of the Share and Loan Department of The Stock Exchange, who shall forward it to the office of the company, and certify to that effect on the transfer deeds, which shall then be a valid delivery. No person is to look to the Managers or Committee of The Stock Exchange, as being liable for the due or accurate performance of those duties, the Managers and Committee holding themselves, and being held, entirely irresponsible in respect of the execution, or of any mis-execution, or non-execution, of the duties in question.

122—On the morning of the Account-day all unsettled bargains shall be brought down and temporarily adjusted at the Making-up price of the Ticket-day, but bargains in Securities subject to arrangement by the Settlement Department and in those Securities dealt in in the Mining Markets which are included in the "Stock Exchange Official List of Making-up Prices" shall be brought down and temporarily adjusted at the Making-up price of the Contango-day for the Securities in question.

123—(1) A Member shall not be required to pay for Securities presented after Half-past Two o'clock, or after Twelve o'clock on Saturday.

(2) If a deliverer elect to settle with his immediate Buyer, under the provisions of Rule 96, he shall

deliver his Securities before Half past Twelve o'clock or Eleven o'clock on Saturday but intermediaries on the trace are bound to pay their sellers up to Two o'clock or Half past Eleven on Saturday.

124—The Buyer is entitled to deduct the dividend when paying for Securities on which the dividend has been declared and in respect of which the Transfer Books are closed at the date of delivery.

Securities Passing by Delivery 125—(1) The Seller is responsible for the genuineness of the Securities delivered and in case of his death, failure or retirement from The Stock Exchange such responsibility shall attach to each Member in succession through whose hands the Securities or the Ticket representing such Securities shall have passed.

(2) The deliverer of Securities on Tickets is required to apportion such Securities to each Ticket at the time of delivery and the taker of Securities in order to secure his right under this Rule shall keep such Tickets and the numbers of the Securities to which they were respectively apportioned or in the case of Settlement Department Tickets the numbers of such Tickets.

126—(1) A Bond or Certificate is to be considered perfect unless it be much torn or damaged or a material part of the wording be obliterated. The Committee will not take cognizance of any complaint in respect of a Bond or Certificate alleged to have been delivered in a damaged condition or deficient in or with irregular Coupons should such Bond or Certificate be detained by the Buyer more than Three days after the delivery unless it can be proved that the Member passing it was aware of its being imperfect.

(2) The Committee will not take cognizance of any complaint in respect of the irregularity in the endorsement of an American Share Certificate should such certificate be detained by the Buyer more than Three months after delivery unless it can be proved that the Member passing it was aware of the irregularity.

127—(1) A Member shall not be required to accept the delivery of a Certificate of American Shares representing a larger number than—

| | |
|---|------------------------|
| 50 Shares up to and including \$75 each | |
| 20 | \$50 each |
| 10 | any other denomination |

nor an American Bond of a larger amount than \$1000.

(2) Smaller Certificates or Bonds must be of such denomination as to be deliverable in the above amounts.

128—(1) On the Ticket-day between Ten and One o'clock Tickets shall be passed at the Making up price of the Contango-day.

(2) Tickets shall not be issued later than Half past Twelve on the Ticket day.

(3) Tickets must bear distinctive numbers and be for the following amounts viz—

| |
|---|
| £1000 Stock or multiples of £1000 up to £5000 or the equivalent in Foreign Currency |
| 10 Shares or multiple thereof up to 100 |

Tickets for £500 Stock may be passed for bargains or balances of that amount.

Smaller amounts must be settled without Tickets.

(4) Tickets shall not be split, except in the Settlement Department.

(5) A Member is required to inscribe on the Ticket the name of the Member to whom it is passed.

(6) Sellers shall accept Tickets but if a deliverer elect to settle with his immediate Buyer under the provisions of Rule 96 he shall deliver his Securities before Half past Twelve o'clock or Eleven o'clock on Saturday. Intermediaries on the trace are bound to pay their sellers up to Two o'clock or Half past Eleven on Saturday.

(7) The holder of a Ticket who shall allow Two clear days to elapse without delivering the Securities releases his Buyer from any loss in consequence of the declaration of any Member as a Defaulter.

129—Bargains in Bonds and Debentures include the accrued interest in the price except in the case of British and Colonial Treasury and Exchange Bonds or Bills, Rupee Paper Indian Railway Debentures and certain Securities of a like character which are dealt in at the market interest up to the day for which the Bargain is done is paid by the Buyer.

130—(1) Securities are not deliverable on the Account-day without the current Coupon.

(2) Those marked ex Coupon on the Account day shall be delivered without the Coupon except such Securities with Coupons payable only abroad as are quoted ex-dividend before the due date of the Coupon under Rule 101 which shall be delivered ex Coupon at the succeeding account.

(3) When the dividend is payable after the Account-day outstanding bargains shall be settled with the current Coupon otherwise the buyer shall have the right to demand the market value of the Coupon unless he shall have waived his right to this privilege by neglecting to attempt to buy in the Bonds.

(4) In the case of dividends payable only abroad the Secretary to the Share and Loan Department shall fix a price for the Coupons in sterling money which shall be posted in The Stock Exchange and the dividend shall be accounted for at such price.

131—Eleven clear days between delivery and the closing of the Books of the Company shall be allowed by the Seller to the Buyer of Shares of American Companies in order to afford time for transmission of the Certificates to New York and Philadelphia.

132—On the Account day all unsettled bargains shall be brought down and temporarily adjusted at the Making up price of the Ticket-day.

133—(1) A Member shall not be required to pay for Securities presented after Half past Two o'clock or after Twelve o'clock on Saturday. On the Account-day the holder of a Ticket must deliver before Two o'clock.

(2) The Buyer shall pay for such portion of Securities as may be delivered within the prescribed time.

Buying in and Selling out. 134—Buying in or Selling out must be effected publicly by the officials of the Buying in and Selling-out Department appointed by the Committee for General Purposes who shall trace the transaction to the responsible Member and claim the difference thereon.

135—The Committee may suspend the Buying in of Securities when circumstances appear to them to make such suspension desirable in the general interest. The liability of intermediaries shall continue during such suspension unless otherwise determined by the Committee.

136—Securities shall not be bought in when they are known to be out of the control of the Seller for the payment of calls or the receipt of interest dividends or bonuses.

137—Inscribed Stock, not subject to an *ad valorem* Stamp Duty, bought for a specified day and not then delivered, may be bought-in without notice on the following day at Eleven o'clock, and the Member causing the default shall pay any loss incurred

138—(1) If Securities deliverable by Deed of Transfer or Inscribed Stock subject to an *ad valorem* Stamp duty are not delivered within Ten Days, the issuer of the Ticket may buy-in the same against the Seller on the Eleventh day after the Ticket-day, or on any subsequent day

(2) In the case of Companies which prepare their own transfers, Securities may be bought-in on the Eleventh day after the earliest date on which a transfer can be procured, or on any subsequent day

(3) One hour's public notice of such Buying-in must be posted in The Stock Exchange, the notices to be posted not later than Half-past Twelve o'clock, or Half-past Eleven o'clock on Saturday

(4) Buying-in shall take place between Half-past One and Three o'clock, and on Saturday between a Quarter-past Twelve and One o'clock

(5) The name into which the Securities are to be transferred must be stated in the order to buy-in if required by the Manager of the Buying-in and Selling-out Department

(6) The loss occasioned by such Buying-in shall be borne by the ultimate Seller, unless he can prove that there has been undue delay in the passing of the Ticket on the part of any Member, who shall in that case be liable

(7) Securities bought-in and not delivered by One o'clock on the following day, or by Twelve o'clock on Saturday, may be again bought-in for immediate delivery without further notice, and any loss shall be paid by the Member causing such further Buying-in

139—(1) The issuer of a Ticket who shall allow Thirteen clear days from the Ticket-day to elapse without Buying-in or attempting to buy-in the Securities shall release his Seller from all liability in respect of the non-delivery of the Securities, unless he shall have waived his right to buy-in at the request, or with the consent of his Seller, and the holder of the Ticket shall alone remain responsible to such issuer for the delivery of the Securities

(2) In the case of Companies which prepare their own transfers the intermediate Seller shall be released Thirteen clear days after the earliest day on which a transfer can be procured

(3) The liability of issuers and holders of Tickets is not affected by the fact that intermediaries have been released by lapse of time

140—(1) Securities passing by delivery which have been bought for the Account-day and are not delivered by Half-past Two o'clock may be bought-in on the following, or any subsequent day, and any loss occasioned by such Buying-in shall be borne by the Seller

(2) One hour's public notice of such buying-in must be posted in The Stock Exchange, the notice to be posted not later than Half-past Twelve o'clock, or Half-past Eleven o'clock on Saturday

(3) If such Securities are bought for any day except the Account-day and not delivered by Half-past Two o'clock, or by Twelve o'clock on Saturday, they may be bought-in on the same, or any subsequent day without notice, and any loss occasioned by such Buying-in shall be borne by the Seller

(4) Buying-in shall take place between Half-past

One and Three o'clock, and on Saturday between a Quarter-past Twelve and One o'clock

(5) The loss occasioned by such Buying-in shall be borne by the Member who shall not have delivered the Securities by Half-past Two o'clock on the previous day, or by Twelve o'clock on Saturday

(6) Securities bought-in and not delivered by One o'clock on the following day, or by Twelve o'clock on Saturday, may be again bought-in for immediate delivery without further notice, and any loss shall be paid by the Member causing such further Buying-in

141—A Member who shall allow Two clear days to elapse without buying-in or attempting to buy-in Securities passing by delivery releases his Seller from any loss in consequence of the public declaration of any Member as a Defaulter, unless he shall have waived such right at the request, or with the consent of the Seller

142—(1) In case the Official shall not succeed in executing an order to buy-in, the notice of such Buying-in shall remain on the General Notice Board, and the Official shall on demand by the Buyer, renew the attempt to buy-in without further notice, and the Authorised Official charges for such renewed attempts shall be paid by the Member held responsible under Rule 134

(2) Such orders shall not be executed before Two o'clock, or before a Quarter-past Twelve o'clock on Saturday

143—(1) The Seller of Inscribed Stock for the Consols Account or for a specified day, who shall not receive a Ticket by Half-past One o'clock, or a Quarter-past Twelve o'clock on Saturday, may sell out against the Buyer

(2) If such Ticket shall not have been regularly issued before Half-past Twelve o'clock, or Half-past Eleven o'clock on Saturday, the issuer thereof shall be responsible for any loss occasioned by the Selling-out. Should the Ticket have been regularly put in circulation, the holder at Half-past One o'clock, or Half-past Twelve o'clock on Saturday, shall be liable

144—(1) The Seller of Inscribed Stock dealt in for the ordinary Account, who shall not receive a Ticket by Three o'clock on the Ticket-day, may sell out against the Buyer on the Account-day or on any subsequent day

(2) If a Ticket shall not have been regularly issued before Two o'clock on the Ticket-day, the issuer thereof shall be responsible for any loss occasioned by such Selling-out. Should a Ticket have been regularly put into circulation, the holder at Three o'clock on the Ticket-day shall be liable. In case of Selling-out on any subsequent day, the holder of the Ticket at Three o'clock on the previous day, or at One o'clock on Saturday, shall be liable. Should, however, undue delay in passing the Ticket be proved, the Member causing such delay will be held responsible

145—(1) The deliverer of Securities deliverable by deed of Transfer, who shall not receive a Ticket by Half-past Two o'clock on the Ticket-day, may sell out such Securities up to Three o'clock, or One o'clock on Saturday, on that day or any subsequent day

(2) If the Security be one of those undertaken by the Settlement Department, written notice stating from whom a Ticket is required must be given to the Department at least One hour before such Selling-out, and in no case shall such Securities be sold out before Twelve o'clock

(3) If a Ticket except for Securities dealt in in the Mining Markets shall not have been regularly issued before Twelve o'clock the issuer thereof shall be responsible for any loss occasioned by Selling-out. Should a Ticket have been regularly put into circulation the holder thereof at Two o'clock shall be responsible for any Selling-out on the Ticket day. If the Selling-out take place on the Account-day the holder of the Ticket at Three o'clock on the Ticket day shall be liable unless such Ticket was in the Settlement Department at Three o'clock in which case the holder of such Ticket at Five o'clock shall be liable.

(4) If a Ticket for Securities dealt in in the Mining Markets shall not have been regularly issued before Two o'clock on the General Contango day, the issuer thereof shall be responsible for any loss occasioned by Selling-out. Should a Ticket have been regularly put into circulation the holder thereof at Two o'clock on the Ticket day shall be responsible for any Selling-out on that day, and the holder of the Ticket at Six o'clock on the General Contango-day shall be responsible for any Selling-out on the Account-day unless the Ticket was in the Settlement Department at Six o'clock on the General Contango-day in which case the holder of the Ticket at One o'clock on the Ticket day shall be liable.

(5) In the case of Selling-out on any day after the Account-day the holder of the Ticket at Three o'clock on the previous day or One o'clock on Saturday shall be liable unless he can prove undue delay in passing the Ticket.

146.—Should the deliverer of securities deliverable by deed of transfer allow Two clear days from Three o'clock on the Ticket-day to elapse without availing himself of his right to sell out his Buyer shall be relieved from all loss in cases where the Ticket has not been passed in consequence of the public declaration of any Member as a Defaulter. If a Seller does not deliver Securities within Thirteen clear days from the Ticket day the intermediate Buyer from whom he received the Ticket shall be released and the issuer thereof shall alone remain responsible for the payment of the purchase money.

147.—When Securities are sold out if a Ticket be not given within half an hour after the time of sale the transfer may be made into the name of the Buyer.

148.—A Member who has sold Securities passing by delivery for a specified day may sell out the same on that day if the Buyer is not prepared to pay for them by Half past Two or Twelve o'clock on Saturday, and the Buyer shall be liable for any loss incurred.

Special Settlements and Official Quotations
149.—The Secretary of the Share and Loan Department shall give Three days' public notice of any application for a Special Settlement-day in the Scrip or Bonds of a new Loan previously to its being submitted to the Committee, who will appoint a Special Settlement-day provided that sufficient Scrip or Bonds are ready for delivery and are in reasonable amounts (*vide* Appendix 35).

150.—(1) The Secretary of the Share and Loan Department shall give Three days' public notice of any application for a Special Settlement-day in the Shares or other Securities of a new Company previously to such application being submitted to the Committee, who will appoint a Special Settlement-day provided that sufficient Certificates or Scrip are ready for delivery.

(2) The Committee will not fix a Special Settlement-day for bargains in Shares or Securities issued to the Vendors credited as fully or partly paid until Six months after the date fixed for the Special Settlement in the Shares or Securities of the same class subscribed for by the public. But this does not necessarily apply to reorganisations or amalgamations of existing Companies or to cases where no Public Shares are issued or to cases where the Vendors take the whole of the Shares issued for cash (*vide* Appendix 35).

151.—(1) The Committee may order the Quotation in the Official List of any security of sufficient magnitude and importance.

(2) Applications for Quotation must be made to the Secretary of the Share and Loan Department and must comply with such conditions and requirements as may be ordered from time to time by the Committee (*vide* Appendix 36).

(3) Three days' public notice must be given of every application.

(4) A Broker a Member of The Stock Exchange must be authorised to give the Committee full information as to the Security and to furnish them with all particulars they may require.

152.—Securities issued to Vendors credited as fully or partly paid shall not be quoted until six months after the date fixed for the Special Settlement of the Securities of the same class subscribed for by the public nor unless a quotation for the latter is also granted.

Official List and Marking of Bargains 153.—A List of Securities admitted to Quotation shall be published under the authority of the Committee and no list shall be published as sold by a Member without the sanction of the Committee.

154.—The prices of all bargains done between a Quarter and Eleven and Half past Three o'clock, and between a Quarter to Eleven and One o'clock on Saturday, may be marked in the Official List, but no price shall be inserted unless the bargain shall have been made in The Stock Exchange between Members at the market price, nor on the authority of one of them if he refuse when required by a Member of the Committee to give up the name of the Member with whom he has dealt.

155.—A Mark shall not be expunged from the Official List without the authority of the Chairman, Deputy Chairman or Two Members of the Committee.

156.—Bargains at special prices by reason of their exceptional amount may be marked but with distinguishing signs (*vide* Appendix 34).

157.—Bargains should be marked in the order in which they are made but the Clerks of the House may with the concurrence of a Member of the Committee mark omitted bargains in the order in which they occurred upon a written application from the Buyer and the Seller stating the amount, the time when and the price at which such bargains were made, and such application shall be reported to the Committee at their next meeting.

158.—(1) Objections to Marks must be lodged with the Clerks of the House by Twenty minutes to Four or Ten minutes past One o'clock on Saturday.

(2) Objections to Quotations in the List must be lodged with the Clerks of the House by a Quarter to Four or a Quarter past One o'clock on Saturday.

Officers. 159.—(1) Two Members shall be appointed annually by the Committee to act as Official Assessors and Deputy Official Assessors.

respectively, hereinafter called the Official Assignees, whose duty it shall be to obtain from a Defaulter his original books of account, and a statement of the sums owing to and by him, to attend Meetings of creditors and to summon the Defaulter before such Meetings, to enter into a strict examination of every account, to investigate and report to the Committee forthwith any bargains found to have been effected at unfair prices, and to manage the estate in conformity with the Rules, Regulations and usages of The Stock Exchange.

(2) Each Official Assignee shall find security amounting to £1,000 from two or more Members of The Stock Exchange. In the event of any default or misappropriation by any Assignee of funds or property entrusted to his care, or of any other act of dishonesty on his part, each of his Sureties shall pay, under direction of the Committee, such sum as he shall have guaranteed.

160—(1) A Member unable to fulfil his engagements shall be publicly declared a Defaulter by direction of the Chairman, Deputy-Chairman or any two Members of the Committee, and thereby ceases to be a Member.

(2) The Request for such declaration shall be handed to the Secretary not later than a Quarter to Three o'clock, or Half-past Twelve on Saturday, and the declaration shall be forthwith announced to The Stock Exchange. A Declaration shall not be announced before a Quarter to Eleven o'clock.

161—A Member who may fail to pay the fees due to the Trustees and Managers or who may have a Receiving Order in Bankruptcy made against him or be adjudicated a Bankrupt or who may be proved to be insolvent, although he may not be at the same time a Defaulter in The Stock Exchange shall cease to be a Member upon resolution of the Committee to that effect.

162—When a Member shall give private intimation to his creditors of his inability to fulfil his engagements, the creditors shall not make any compromise with such Defaulter, but shall immediately communicate with the Chairman, Deputy-Chairman, or two Members of the Committee, in order that the Member in default may be immediately declared, and in case the Committee shall obtain knowledge of any private failure, the name of the Defaulter shall be publicly declared.

163—A Member conniving at a private failure, by accepting less than the full amount of his debt, shall be liable to refund any money or Securities received from a Defaulter, provided such Defaulter be declared within two years from the time of such compromise, the property so refunded being applied to liquidate the claims of the subsequent creditors. Any arrangement for settlement of claims, in lieu of *bond fide* money payment on the day when such claims become due, shall be considered as a compromise, and subject to the provisions of this Rule.

164—(1) In every case of failure, the Official Assignees shall publicly fix the prices current in the Market immediately before the declaration, at which prices all Members having accounts open with the Defaulter shall close their transactions by buying or selling to him such Securities as he may have contracted to take or deliver, the differences arising from the Defaulter's transactions being paid to, or claimed from the Official Assignees.

(2) In the event of a dispute as to the prices they shall be fixed by two Members of the

Committee. Any objection must be lodged with the Official Assignees in writing within two business days of the time when the list was posted in The Stock Exchange.

165—(1) The Official Assignees shall collect and pay the assets into such Bank and in such names, as the Committee may from time to time direct, and the same shall be distributed as soon as possible.

(2) Legal Expenses incurred on account of a Defaulter's estate shall be deducted from the sum available for distribution.

166—Creditors for differences shall have a prior claim on all differences received by, or due to a Defaulter's estate.

167—A creditor receiving, under any circumstances, a larger proportion of differences on a Defaulter's estate than that to which each of the creditors is entitled, shall refund such portion as shall reduce his dividend to an equality with the others. A Member completing a bargain with the principal of a Defaulter shall immediately notify the fact to the Official Assignees.

168—A Member who shall have received a difference on an account, prior to the regular day for settling the same, or who shall have received a consideration for any prospective advantage, whether by a direct payment of money, or by the purchase or sale of Securities at a price either above or below the market price at the time the bargain was contracted, or by any other means, prior to the day for settling the transaction for which the consideration was received, shall, in case of the failure of the Member from whom he received such difference or consideration, refund the same for the general benefit of the creditors, and any Member who shall have, under the circumstances above stated, paid or given such difference or consideration, shall again pay the same to the creditors, so that, in each case, all persons may stand in the same situation with respect to the creditors, as if no such prior settlement or other arrangement had taken place.

169—A claim which does not arise from a Stock Exchange transaction cannot be proved against a Defaulter's estate.

170—(1) The following claims will not be allowed to rank against a Defaulter's estate until all other claims have been paid in full, but assets arising from such transactions shall be collected and distributed among the creditors—

(i) Claims arising from Bargains done more than Eight days previously to the close of a Consols Account for a date beyond the Second ensuing Consols Account-day.

(ii) Claims arising from Bargains for a period beyond the Third ensuing Ordinary Account-day.

(iii) Claims arising from Bargains in Securities for a date previous to that fixed for the Special Settlement.

(iv) Claims arising from differences which have been allowed to remain unpaid for more than two business days beyond the day on which they became due.

(2) Differences overdue and paid previous to the day of default are not to be refunded.

171—Members not receiving due payment for Securities delivered on the day of default, are entitled, so far as regards the value thereof at the average price on the day of delivery, to be paid *pro rata*, and preferentially, out of assets resulting in any manner from such Securities, or derived from the Defaulter's own resources, and should these

prove insufficient they shall as to the balance of such claims participate with other creditors in any surety money of the Defaulter.

172—In the case of a loan of money made upon Security the lender shall retain his Securities within three clear days unless the creditors consent to a longer delay or he shall take them at a price to be fixed by the Official Assignees with appeal to any two Members of the Committee. Should the Security be insufficient the difference may be proved against the Defaulter's estate.

173—A loan without Security shall not be admitted as a claim on the differences of a Defaulter's estate nor shall any such loan when of longer duration than Two business days be admitted as a claim on any other of his assets and should any unsecured creditor receive payment of his loan from a Member on the day of his default such payment being made out of assets not belonging to the Defaulter previously to that day he shall refund the amount so received for the benefit of the Defaulter's estate.

174—A Non Member shall be allowed to participate in a Defaulter's estate provided his claim be admitted by the creditors or in case of dispute by the Committee and a person whose claim is so admitted may be represented at the meeting of creditors by any Member whom he may appoint.

175—A Member being a creditor upon a Defaulter's estate shall not sell assign or pledge his claim on such estate to a Non Member without the concurrence of the Committee and such assignment shall be immediately communicated to the Official Assignees.

176—A Member shall not attempt to enforce by law a claim arising out of a Stock Exchange transaction against a Defaulter or the Principal of a Defaulter without the consent of the creditors of the Defaulter or of the Committee.

177—(1) A Member may with the consent of the creditors and the sanction of the Committee and not otherwise carry on business for the benefit of a Defaulter in accordance with the Regulations contained in Appendix 37.

(2) A Member shall not deal with a Defaulter for his own account before his re-admission to The Stock Exchange.

(3) A Member may with the sanction of the Committee and not otherwise carry on business for or with a person who has ceased to be a Member under Rules 39, 4, or 161.

178—(1) Once in every month the Official Assignees shall lay before the Committee an account of the balances in their hands belonging to Defaulters' estates and the Committee shall order such balances as they think fit to be paid over to the account of the Trustees of The Stock Exchange Benevolent Fund subject to recall by the Committee for distribution amongst creditors or for payments by or to the Official Assignees which have been authorised by the Committee.

(2) A statement of all sums so paid over and of the amount remaining in the hands of the Trustees of The Stock Exchange Benevolent Fund on the 31st of December in every year shall be furnished by the Official Assignees and deposited in the Committee Room for the inspection of the Members of The Stock Exchange.

(3) On the 1st of February in each year the Official Assignees shall lay before the Committee the names of the Defaulters who have been re-admitted as Members or Clerks but have not paid

20s in the £ with particulars as to the date of re-admission, the original liabilities, the dividends paid and the date and amount of the last payment.

(4) On the 1st of March in each year the Official Assignees shall lay before the Committee a statement of all dividends paid during the last year on each Defaulter's estate.

179—The Official Scale of Commission is laid down in Appendix 38 but is not compulsory in the case of Underwriting or the placing of New Issues. Nor shall it apply to Continuations provided that a Broker shall charge or allow in respect of Continuation business a rate not more favourable to his Principal than that actually paid or received by him in the market or if the Continuation is effected wholly or partially by the employment of his own resources a rate which shall be fair and reasonable having regard to the market conditions of the day.

180—(1) A Broker shall render to a Non Member a contract note in respect of every bargain done for such Non Member's Account stating the price at which the bargain has been done and subject to the provisions of Rule 82 containing a charge for Commission at a rate not less than the Official Scale as laid down in Appendix 38 or as modified by the provisions of Rules 179, 182, 183, 184 or 189.

(2) A Broker may render a net contract note provided Commission in accordance with Clause (1) of this Rule is charged and provided such contract note states that the Commission is allowed for in the price.

181—A Broker may not act as a Principal for the purpose of evading these Rules or adopt any other procedure for a like purpose nor may he commute his Commission for a fixed payment or salary unless in each year he be specially authorised so to do by the Committee nor may he divide profits or Commission with a Non Member except as authorised by Rules 186, 187 and 188.

182—(1) A Broker may at his discretion charge only one Commission for buying and selling the same security for the same Principal in the same Account or on a change of investments for the same Principal provided such change be made during the same Account or in the Account immediately following.

(2) Except as provided in Rule 189 (5) this Rule is only applicable when the Commission charged is that laid down in Appendix 38.

183—A Broker may at his discretion when the volume of any Principal's business in his opinion justifies it but only in the case of a transaction in which the commission money exceeds £1,000 charge that Principal a reduced Commission on any transaction but in no case shall such reduced Commission be less than one-half of the Official Scale as laid down in Appendix 38.

184—A Broker may at his discretion when the volume of any Principal's business in his opinion justifies it charge that Principal on American Shares a uniform Commission of 6d per Share and on Shares other than American passing by delivery a uniform Commission of 1s per Share when the price does not exceed £50 or 1s 6d per Share if the price exceeds £50 such uniform Commission to be charged on every bargain whether by way of closing change of investment or otherwise and not to be shared in any way with any person other than a Broker or a Clerk in his own exclusive employment as provided in Rules 187 and 188.

185—A Broker shall charge Commission at not less than the Official Scale as laid down in Appendix 38 without modification to any Stock and Share Broker or Dealer in the United Kingdom, whether carrying on business in the form of a limited Company or otherwise, who advertises in the public Press for Stock Exchange business or issues circulars respecting such business to other than his own Principals, or who carries on business within the London Postal Area or within a radius of five miles from any Associated Stock Exchange in the United Kingdom, not being a Member thereof, and no allowance or rebate in respect of such Commission shall be made to such Broker or Dealer or any other person

186—A Broker may share his Commission with an Agent provided that (except in the case where such Agent is his Remisier or a Clerk in his own employment) the share of the Commission actually retained by him is not less than one-half of the Official Scale as laid down in Appendix 38, and also that the Agent's share is not divided with or allowed to his Principal

187—A Broker shall be entitled to employ as a Remisier for the purpose of his business a person resident abroad whose name is registered with the Committee in accordance with Appendix 39, and to remunerate such Remisier with a share not exceeding one-half of the Commission charged to the Principal he introduces, whether such Commission be at the Official Scale as laid down in Appendix 38 or as modified by the provisions of Rules 182, 183, and 184

188—A Broker may remunerate a Clerk in his own exclusive employment with a share not exceeding one-half of the Commission charged to the Principal he introduces whether such Commission be at the Official Scale as laid down in Appendix 38 or as modified by the provisions of Rules 182, 183, and 184, provided that such remuneration is not shared by the Clerk with or allowed to his Principal

189—(1) On any transaction for a Member of any Associated Stock Exchange in the United Kingdom, or a Stock Broker whose name is included in the "List of Stock Brokers (not Members of any Stock Exchange) who are treated for the purposes of Section 13 of the Finance Act of 1899 as though they were Members of a Stock Exchange," such Broker not being excluded by the provisions of Rule 185, a Broker may at his discretion charge Commission at a rate not less than the scale laid down in Clause (4) of this Rule, but such Commission shall not be shared with any one except a Clerk in the Broker's own exclusive employment. Such Clerk shall not under any circumstances either directly or indirectly divide or share his proportion of such Commission with or allow the same to such Country Broker

(2) The Commission laid down by this Rule shall be the minimum Commission to be charged on all business coming to The Stock Exchange from a Member of any Associated Stock Exchange or country Broker, as defined in Clause (1) of this Rule

(3) A Broker shall not act as a Principal or send an order to a Member of an Associated Stock Exchange or country Broker for the purpose of evading the minimum Commission on such business, nor shall he adopt any other procedure for a like purpose. Any evasion will be treated as a breach not only of this Rule but also of Rule 81 which prohibits shunting

(4) On transactions for Brokers as defined in Clause (1) of this Rule a Broker may at his discretion charge a reduced Commission at the rate of not less than one-half of the rates laid down in Appendix 38, irrespective of the volume of the transactions in question and further he may charge the following exceptional reduced rates, viz—

| <i>Railway and other Registered Stocks</i> | | |
|--|------------------|--------------|
| Price £50 or under .. | $\frac{1}{16}$ % | on the Stock |
| Over £50 | $\frac{1}{8}$ % | " " " |
| <i>American Shares of \$50 or \$100 Denomination</i> | | |
| Price \$50 or under | 3d | per Share |
| Over \$50 to \$100 | 4½d | " " |
| " \$100 to \$150 | 6d | " " |
| " \$150 to \$200 | 9d | " " |
| " \$200 | 1s 0d. | " " |

(5) A Broker may also apply to such business the provisions of Rule 182 as far as they relate to the charging of only one Commission for buying and selling the same security in the same Account

Re-Elections, Admissions and Re-Admissions.

1 Form of Application for Re-election— (Rule 23)

To the Secretary to the Committee for General Purposes

SIR,

Please acquaint the Committee for General Purposes, that I am desirous of being re-elected a Member of the Stock Exchange, for the year commencing on the 25th of March, 19 , upon the terms of, and under and subject in all respects to the Rules and Regulations of The Stock Exchange, which now are, or hereafter may be for the time being in force

My Residence is

My Office Address is

My Bankers are

My Telephone Number is

1 My Stand Number is

2 I am engaged in Partnership with

3 I propose to act as a Broker

4 I propose to act as a Dealer

5 I propose to act as a Clerk

6 I am not engaged in active Business

Three of
these lines
to be struck
out

7 I am not engaged as Principal or Clerk in any business other than that of The Stock Exchange, nor is my wife engaged in business, nor am I a Member of, or Subscriber to, any other Institution in which dealings in Stocks or Shares are carried on

8 The under-named will continue to act as Clerk

| Name of the Clerk s | Here state whether the Clerk is authorised or not to transact business or admitted to the Settling Room only, and if he is a Member, it is to be so stated |
|---------------------|--|
|---------------------|--|

I am, Sir, yours faithfully,
(Signature in full)

Exchange Shares before exercising any of the privileges of Membership

I append Nomination Form No

My Residence is

My Office is

My Bankers are

¹ I propose to act as a Broker

I propose to act as a Dealer

² I propose to act as a Clerk

I do not propose to engage in active Business

} Three of these lines to be struck out

I am not engaged as Principal or Clerk in any business other than that of The Stock Exchange, nor is my wife engaged in business, nor am I a Member of, or Subscriber to, any other Institution in which dealings in Stocks or Shares are carried on

I am, Sir, yours faithfully,

(Signature in full)

We recommend Mr as a fit Person to be admitted a Member of The Stock Exchange, and in case he shall be publicly declared a Defaulter, within Four years from the date of his admission, we each of us hereby engage to pay to his creditors, upon application, the sum of Five Hundred Pounds to be applied in discharge of his Debts in The Stock Exchange

(Signatures in full)

* * The Recommenders must state, opposite to their signatures, that they are not, and do not expect to be indemnified for the security they give, and must attend, together with the person recommended at such time as the Committee may require

Recommenders are required to have such personal knowledge of Candidates, and of their past and present circumstances, as shall satisfy the Committee as to their eligibility

If the Candidate has been a Foreign subject he must submit to the Committee his Certificate of Naturalisation

If the Candidate has been a Commissioned Officer in the Regular Army or Navy, he must submit to the Committee a copy of the "London Gazette" in which his resignation is notified

If the Candidate has been in Partnership he must submit to the Committee a copy of the "London Gazette" in which the dissolution of his Partnership is notified

¹ The names of all Members who return themselves as Brokers will be inserted in the published Lists of Brokers who are Members of The Stock Exchange

² Members acting as Clerks to Brokers can have their names inserted on these Lists by stating above that they are Brokers' Clerks

5. Form of Application for Admission with Two Sureties with nomination—

(Rule 32 (2))

To the Secretary to the Committee for General Purposes

Sir,

Please acquaint the Committee for General Purposes that I am desirous of being admitted a Member of The Stock Exchange, for the year commencing on the 25th of March, 19 , upon the terms of, and under and subject in all respects to the Rules and Regulations of The Stock Exchange, which now are, or hereafter may be for the time being in force I have read the Rules and Regulations of The Stock Exchange

I am a British subject, and years of age
I am aware that I must acquire One Stock Exchange Share before exercising any of the privileges of Membership

I append Nomination Form No

My Residence is

My Office is

My Bankers are

¹ I propose to act as a Broker

I propose to act as a Dealer

² I propose to act as a Clerk

I do not propose to engage in active Business

} Three of these lines to be struck out

I am not engaged as Principal or Clerk in any business other than that of The Stock Exchange, nor is my wife engaged in business, nor am I a Member of, or Subscriber to, any other Institution in which dealings in Stocks or Shares are carried on

I am, Sir, yours faithfully,

(Signature in full)

We recommend Mr who has never been engaged as a Principal in any business, as a fit Person to be admitted a Member of The Stock Exchange, and in case he shall be publicly declared a Defaulter within Four years from the date of his admission, we each of us hereby engage to pay to his creditors, upon application, the sum of Three Hundred Pounds to be applied in discharge of his Debts in The Stock Exchange

(Signatures in full)

* * The Recommenders must state, opposite to their signatures, that they are not, and do not expect to be indemnified for the security they give, and must attend, together with the person recommended, at such time as the Committee may require

Recommenders are required to have such personal knowledge of Candidates, and of their past and present circumstances as shall satisfy the Committee as to their eligibility

¹ The names of all Members who return themselves as Brokers will be inserted in the published "Lists of Brokers who are Members of The Stock Exchange"

² Members acting as Clerks to Brokers can have their names inserted on these Lists by stating above that they are Brokers' Clerks

6 Form of Application for Admission with Two Sureties without nomination—

(Rule 28)

To the Secretary to the Committee for General Purposes.

Sir,

Please acquaint the Committee for General Purposes that I am desirous of being admitted a Member of The Stock Exchange, for the year commencing on the 25th of March, 19 , upon the terms of, and under and subject in all respects to the Rules and Regulations of The Stock Exchange, which now are, or hereafter may be for the time being in force I have read the Rules and Regulations of The Stock Exchange.

I am a British subject, and years of age
I am aware that I must acquire One Stock Exchange Share before exercising any of the privileges of Membership.

My Residence is

My Office is

My Bankers are

¹ I propose to act as a Broker

I propose to act as a Dealer

² I propose to act as a Clerk

I do not propose to engage in active Business

} Three of these lines to be struck out

I am not engaged as Principal or Clerk in any business other than that of The Stock Exchange, nor is my wife engaged in business, nor am I a Member of, or Subscriber to, any other Institution in which dealings in Stocks or Shares are carried on.

Sir, yours faithfully,

who
engaged as a Principal in any

business as a fit Person to be admitted a Member of The Stock Exchange and in case he shall be publicly declared a Defaulter within four years from the date of his admission we each of us her by engage to pay to his creditors upon application, the sum of Three Hundred Pounds to be applied in discharge of his Debts in The Stock Exchange (Signatures in full)

The Recommenders must at the present time sign and shall have not add-on in respect to be denominated the signifying the name of the person recommended

Recommenders are required to have such personal knowledge of each other and of their past and present circumstances as shall satisfy the Committee as to their right to

The names of all Members who return the names as Brokers will be inserted in the published List of Brokers who are Members of The Stock Exchange

Members acting as Clerks to Brokers have their names inserted on these Lists by stating above that they are Brokers Clerks

7 Form of Application for Re-admission without Share Qualification—

(Rule 40(II))

(ADMITTED)

To the Secretary to the Committee for General Purposes

Sir

Please acquaint the Committee for General Purposes that I am desirous of being re-admitted a Member of The Stock Exchange for the year commencing on the 25th of March 19 up on the terms of and under and subject in all respects to the Rules and Regulations of The Stock Exchange which now are or hereafter may be for the time being in force

My Residence is

My Bankers are

I propose to act as a Broker

I propose to act as a Dealer

I propose to act as a Clerk

I do not propose to engage in

active Business

I am not engaged as Principal or Clerk in any business other than that of The Stock Exchange nor is my wife engaged in business, nor am I a Member of or Subscriber to any other Institution in which dealings in Stocks or Shares are carried on

I am Sir yours faithfully

(Signatures in full)

The names of all Members who return themselves as Brokers will be inserted in the published List of Brokers who are Members of The Stock Exchange

Members acting as Clerks to Brokers have their names inserted on these Lists by stating above that they are Brokers Clerks

8 Form of Application for Re-admission with Share Qualification—

(Rule 42 (II))

A MISSING AFTER 23RD NOVEMBER 1904

To the Secretary to the Committee for General Purposes

Sir

Please acquaint the Committee for General Purposes that I am desirous of being re-admitted a Member of The Stock Exchange for the year commencing on the 25th of March 19 up on the terms of and under and subject in all respects to the Rules and Regulations of The Stock Exchange which now are or hereafter may be for the time being in force

My Residence is

My Bankers are

I propose to act as a Broker

I propose to act as a Dealer

I propose to act as a Clerk

I do not propose to engage in

active Business

My Bankers are

I propose to act as a Broker

I propose to act as a Dealer

I propose to act as a Clerk

I do not propose to engage in

active Business

I am aware that I must acquire One Stock Exchange Share before exercising any of the privileges of Membership

I am not engaged as Principal or Clerk in any business other than that of The Stock Exchange nor is my wife engaged in business, nor am I a Member of or Subscriber to any other Institution in which dealings in Stocks or Shares are carried on

I am Sir yours faithfully

(Signatures in full)

The names of all Members who return themselves as Brokers will be inserted in the published List of Brokers who are Members of The Stock Exchange

Members acting as Clerks to Brokers have their names inserted on these Lists by stating above that they are Brokers Clerks

9 Form of Letter to be sent to Member on Re-election—

(Rule 21)

Sir

I am directed to inform you that you are elected a Member of The Stock Exchange for the year commencing on the 25th of March 19 upon the terms of and under and subject in all respects to the Rules and Regulations of The Stock Exchange which now are or hereafter may be for the time being in force

I am Sir

Yours faithfully

EDWARD SATTEFWAITE

Secretary to the Committee for General Purposes

10 Form of First Letter to be sent to New Members on Election—

(Rule 90)

COMMITTEE ROOM

THE STOCK EXCHANGE

LONDON E.C.

19

Sir

I am directed to inform you that you are elected a Member of The Stock Exchange for the year commencing on the 25th of March 19 upon the terms of and under and subject in all respects to the Rules and Regulations of The Stock Exchange which now are or hereafter may be for the time being in force

Upon Registration your name for the year 1905 will be sent to the Registrar of the date upon which you are elected

I am Sir

Yours faithfully

EDWARD SATTEFWAITE

Secretary to the Committee for General Purposes

11 Form of Letter to be sent to New Members on Election—

(Rule 90)

COMMITTEE ROOM

THE STOCK EXCHANGE

LONDON E.C.

19

COMMITTEE ROOM,
THE STOCK EXCHANGE,
LONDON, E C, 19

SIR,

Referring to my previous notice of the I am directed to inform you that, the provisions of the Rules relating to the Admission of Members having been complied with, you are now entitled to exercise the privileges of Membership of The Stock Exchange

I am, Sir,

Yours faithfully,

EDWARD SATTERTHWAITE,
Secretary to the Committee for General Purposes

12 Form of Letter on Re-admission without Share Qualification—

(Rule 40)

COMMITTEE ROOM,
THE STOCK EXCHANGE,
LONDON, E C, 19

SIR,

I am directed to inform you that you are Re-admitted a Member of The Stock Exchange for the year commencing on the 25th of March, 19 , upon the terms of and under and subject in all respects to the Rules and Regulations of The Stock Exchange, which now are, or hereafter may be for the time being in force

I am, Sir,

Yours faithfully,

EDWARD SATTERTHWAITE,
Secretary to the Committee for General Purposes

13 Form of First Letter on Re-admission with Share Qualification —

(Rule 42)

ADMISSION AFTER 23RD NOVEMBER, 1904.

COMMITTEE ROOM,
THE STOCK EXCHANGE,
LONDON, E C, 19

SIR,

I am directed to inform you that you are Re-admitted a Member of The Stock Exchange for the year commencing on the 25th March, 19 , upon the terms of and under and subject in all respects to the Rules and Regulations of The Stock Exchange, which now are, or hereafter may be for the time being in force

Upon registration into your name of your Qualification Share a further Notice will be sent to you giving you the date upon which you can exercise the privileges of Membership

I am, Sir,

Yours faithfully,

EDWARD SATTERTHWAITE,
Secretary to the Committee for General Purposes

14 Form of Second Letter on Re-admission with Share Qualification—

(Rule 42 (2))

RE-ADMISSION OF MEMBER
ADMITTED AFTER 23RD NOVEMBER, 1904
STOCK EXCHANGE SHARE REGISTERED

COMMITTEE ROOM,
THE STOCK EXCHANGE,
LONDON, E C, 19

SIR,

Referring to my previous notice of I am directed to inform you that the provisions of

Rule 42 having been complied with you are now entitled to exercise the privileges of Membership of The Stock Exchange

I am, Sir,

Yours faithfully,

EDWARD SATTERTHWAITE,
Secretary to the Committee for General Purposes

Nominations.

15 Forms of Nomination—
(Rule 26 (1))

No 1.

To the Committee for General Purposes
of the Stock Exchange,

GENTLEMEN,

I

a Member of The Stock Exchange, hereby nominate Mr as my successor and I hereby tender the resignation of my Membership in his favour.

I am, Gentlemen,

Yours faithfully,

... of . . . 19

No 2.

To the Committee for General Purposes
of The Stock Exchange,

GENTLEMEN,

I

having resigned my Membership of The Stock Exchange, and such resignation having been duly accepted by the Committee, hereby nominate Mr as my successor

I am, Gentlemen,

Yours faithfully,

... of . . . 19

No 3

To the Committee for General Purposes
of The Stock Exchange,

GENTLEMEN,

I

having discontinued my subscription for the year commencing 25th March, 19 , hereby nominate Mr as my successor.

I am, Gentlemen,

Yours faithfully

... of . . . 19

No 4

To the Committee for General Purposes
of The Stock Exchange,

GENTLEMEN,

We, the undersigned legal personal representatives of Mr deceased, until a Member of The Stock Exchange, hereby nominate Mr as his successor

We are, Gentlemen,

Yours faithfully,

Witness

of . . . 19

Waiting List.

16 Form of Application to be placed upon the Waiting List—

(Rule 28 (2))

To the Committee for General Purposes
of the Stock Exchange,

GENTLEMEN,

I

having completed Four years' service as a Clerk in The Stock Exchange in accordance with Rule 28 (2),

hereby apply to be placed upon the waiting list of applicants for election without nomination

Name (in full)
Private Address
Employer
Date

I am, Gentlemen
Yours faithfully

(Signature)

Market Partnership
(Rule 54)

17 Form of Notice of Market Partnership—
To the Secretary to the
Committee for General Purposes
Sir

We the undersigned, who each deal and settle our
Bargains in our own name, beg to inform the Com-
mittee for General Purposes that from this day until
further notice we hold ourselves jointly responsible
to The Stock Exchange for all transactions entered
into by either of us in

We are, Sir, etc.

Clerks,

18 Form of Application for an Authorised Clerk—
(Rule 55)

Observe the Note at foot hereof
To the Committee for General Purposes
of The Stock Exchange

GENTLEMEN

request your permission to introduce
(Aged)

as Clerk AUTHORIZED
for the year commencing 25th March 19, assuring
you that he is in every respect eligible in strict
conformity with Rules Nos 61, 62 and 64

Yours faithfully

THE STOCK EXCHANGE, LONDON
of 19

RULE 61.—A Member applying for the admission of a Clerk must
satisfy the Committee—

1. That the Clerk is of the required age for an Authorised
Clerk for an Unauthorised or Settling Room Clerk, and
would be in all other respects eligible for admission as a Member.
2. That he has obtained a satisfactory Reference from his
Clerk last employer.
3. That he has sufficient knowledge of the Clerk's previous
career.

19 Form of Application for an Unauthorised
Clerk—

(Rule 55)

Observe the Notes at foot hereof
To the Committee for General Purposes
of The Stock Exchange

GENTLEMEN

request your permission to introduce
(Aged)

as Clerk UNAUTHORIZED
for the year commencing 25th March 19, assuring
you that he is in every respect eligible in strict
conformity with Rules Nos 61, 62 and 63

Yours faithfully

THE STOCK EXCHANGE, LONDON
of 19

RULE 62.—A Member applying for the admission of a Clerk
must satisfy the Committee—

1. That the Clerk is of the required age for an Unauthorised
Clerk for an Unauthorised or Settling Room Clerk, and
would be in all other respects eligible for admission as a Member.
2. That he has obtained a satisfactory Reference from his
Clerk last employer.

3. That he has a sufficient knowledge of the Clerk's previous
career.

If the Clerk has been Foreign subject he must on his first
admission, submit to the Committee his Certificate of Naturalisation.

If the Clerk has been Commisioed Officer in the Regular
Army or Navy he must submit to the Committee a copy of the

London Gazette in which his signature is notified.

If the Clerk has been a Partisan of the London Gazette he
must submit to the Committee a copy of the London Gazette
in which the dissolution of his Partisanship is notified.

20 Form of Application for a Settling Room
Clerk—

(Rule 56)

Observe the Notes at foot hereof
To the Committee for General Purposes
of The Stock Exchange

GENTLEMEN

request your permission to introduce
(Aged)

as Clerk {FOR ADMISSION TO THE
SETTLING ROOM
for the year commencing 25th March 19, assuring
you that he is in every respect eligible in strict
conformity with Rules Nos 61, 62 and 63

Yours faithfully

THE STOCK EXCHANGE, LONDON
of 19

RULE 63.—A Member applying for the admission of a Clerk must
satisfy the Committee—

1. That the Clerk is of the required age for an Authorised
Clerk for an Unauthorised or Settling Room Clerk, and
would be in all other respects eligible for admission as a Member.
2. That he has obtained a satisfactory Reference from his
Clerk last employer.
3. That he has a sufficient knowledge of the Clerk's previous
career.

If the Clerk has been Foreign subject he must on his first
admission submit to the Committee his Certificate of Naturalisation.

If the Clerk has been a Commisioed Officer in the Regular Army
or Navy he must submit to the Committee a copy of the London
Gazette in which his signature is notified.

If the Clerk has been a Partisan of the London Gazette he
must submit to the Committee a copy of the London Gazette
in which the dissolution of his Partisanship is notified.

21 Form of Application for a Temporary
Unauthorised Clerk—

(Rule 57)

To the Committee for General Purposes
of The Stock Exchange

GENTLEMEN

request your permission to introduce from the
to

(Aged)

as Clerk UNauthorised temporarily in lieu of
who is serving with the
at during
that period

Yours faithfully

THE STOCK EXCHANGE, LONDON
of 19

With the concurrence of the Trustees and Managers, the Com-
mittee will be prepared to allow Settling Room Clerks to visit the
Home to take the place of Unauthorised Clerks who may be absent
as Members of the Territorial Force for the period of the Annual
Training in Camp.

Clerks will also be prepared to admit temporary Unauthorised
Clerks for a similar purpose.

The Trustees and Managers have consented to waive an entrance
fee or description in respect of such temporary Clerks.

22 Form of Application for a Temporary Settling
Room Clerk—

(Rule 57)

To the Committee for General Purposes
of The Stock Exchange

GENTLEMEN

request your permission to introduce from the
to

(Aged)

as Clerk, for Admission to the Settling Rooms temporarily, in lieu

who is serving with the
at during that

period

Yours faithfully,

THE STOCK EXCHANGE, LONDON,
of 19

With the concurrence of the Trustees and Managers, the Committee will be prepared to allow Settling Room Clerks to enter the House to take the place of Unauthorised Clerks who may be absent as Members of the Territorial Force for the period of their Annual Training in Camp.

They will also be prepared to admit temporary Unauthorised Clerks for a similar purpose.

The Trustees and Managers have consented to waive any entrance fee or subscription in respect of such temporary Clerks.

23 Clerks registered for Admission to the Decoding Room—

(Rule 58)

Observe the Notes at foot hereof

To the Committee for General Purposes
of The Stock Exchange

GENTLEMEN,

request your permission to register
(Aged)

as Clerk, for Admission to the Decoding Rooms,

for the year commencing 25th March, 19

Yours faithfully,

THE STOCK EXCHANGE, LONDON,
of 19

¹ If the Clerk is already an Unauthorised or Settling Room Clerk it must be so stated

REGULATIONS AS TO REGISTRATION OF DECODING ROOM CLERKS

Members having seats in the Decoding Room shall be required to register the names of the Clerks they wish to employ in the room, and may so register two Clerks for each seat, but only one Clerk per seat may be employed in the room at any time.

Members applying to register Clerks must attend before the Clerks' Sub-Committee to receive permission, which the Committee may withdraw at any time. All Clerks admitted to the Decoding Room shall be bona fide Clerks of the Members who rent seats.

If Clerks so admitted have not the right also to enter The Stock Exchange or the Settling Rooms, service in the Decoding Room shall not reckon towards qualification for Membership or Authorisation, but service in the Decoding Room shall not disqualify Clerks who also have admission to The Stock Exchange or the Settling Rooms.

In a case of emergency a Member may make written application for the temporary substitution of an unregistered Clerk for a registered Clerk which must be approved by the signature of either the Chairman or the Deputy Chairman, but such permission shall only hold good until the next meeting of the Clerks' Sub-Committee.

24 Form of Letter to be sent to a Member on the Admission of an Authorised Clerk—

(Rule 66)

COMMITTEE ROOM,
THE STOCK EXCHANGE,
LONDON, 19

DEAR SIR,

I am directed to acquaint you that the Committee have allowed your application for the introduction of Mr
as your Clerk

AUTHORISED

for the year commencing 25th March, 19

I am, Dear Sir,
Yours faithfully,

EDWARD SATTERTHWAITE,

Secretary to the Committee for General Purposes
To

25 Form of Letter to be sent to a Member on the Admission of an Unauthorised Clerk—

(Rule 66)

COMMITTEE ROOM,
THE STOCK EXCHANGE,
LONDON, 19

DEAR SIR,

I am directed to acquaint you that the Committee have allowed your application for the introduction of Mr
as your Clerk

UNAUTHORISED

for the year commencing 25th March, 19

I enclose Badge No

I am, Dear Sir,

Yours faithfully,

EDWARD SATTERTHWAITE,

Secretary to the Committee for General Purposes
To

Employers will be held responsible for the strict observance of the following Regulations—

(1) Unauthorised Clerks are not allowed to transact business of any sort, whether in the nature of purchase, sale or contango, in The Stock Exchange, or elsewhere.
(2) Unauthorised Clerks are not allowed to enter in The Stock Exchange.

(3) Unauthorised Clerks are required to wear their Badges in accordance with the Regulations, i.e., in the lapels of their coats.

26 Form of Letter to be sent to a Member on the Admission of a Settling Room Clerk—

(Rule 66)

COMMITTEE ROOM,
THE STOCK EXCHANGE,
LONDON, 19

DEAR SIR,

I am directed to acquaint you that the Committee have allowed your application for the introduction of Mr
as your Clerk

FOR ADMISSION TO THE SETTLING ROOM
for the year commencing 25th March, 19

I enclose Badge No

I am, Dear Sir,

Yours faithfully,

EDWARD SATTERTHWAITE,

Secretary to the Committee for General Purposes
To

Employers will be held responsible for the strict observance of these Regulations—

(1) Settling Room Clerks are only allowed to enter the Settling Room.

(2) Settling Room Clerks are required to wear their badges in accordance with the Regulations, i.e., in the lapels of their coats.

27 Form of Letter to be sent to a Member on the admission of a Temporary Unauthorised Clerk—

(Rule 66)

COMMITTEE ROOM,
THE STOCK EXCHANGE,
LONDON, 19

TERRITORIAL TRAINING

DEAR SIR,

I am directed to acquaint you that the Committee have allowed your application for the introduction of Mr
as your Clerk

UNAUTHORISED, temporarily,

in lieu of

I enclose Badge No _____ which please return on _____

I am Dear Sir
Yours faithfully

EDWARD SATTERTHWAITE

Secretary to the Committee for General Purposes
To _____

Employers will be held responsible for the strict observance of the following Regulations—

- (1) Unauthorised Clerks are not allowed to enter the Settling Rooms of any sort where the nature of the purchase is of a confidential character.
- (2) The Stock Exchange or elsewhere.
- (3) Unauthorised Clerks are not allowed to enter the Stock Exchange.
- (4) Unauthorised Clerks are required to wear the Badges in accordance with the Regulations.

- 28 Form of Letter to be sent to a Member on the admission of a Temporary Settling Room Clerk—
(Rule 61)

COMMITTEE ROOM

THE STOCK EXCHANGE

LONDON

19

TERRITORIAL TRAINING

DEAR SIR

I am directed to acquaint you that the Committee have allowed your application for the introduction of Mr _____ as your Clerk.

FOR ADMISSION TO THE SETTLING ROOM temporarily in lieu of _____

I enclose Badge No _____ which please return on _____

I am Dear Sir
Yours faithfully

EDWARD SATTERTHWAITE

Secretary to the Committee for General Purposes
To _____

Employers will be held responsible for the strict observance of these Regulations—

- (1) Settling Room Clerks are only allowed to enter the Settling Rooms.
- (2) Settling Room Clerks are required to wear their Badges in accordance with the Regulations.

- 29 Form of Letter to be sent to a Member on the admission of a Decoding Room Clerk—
(Rule 58)

COMMITTEE ROOM

THE STOCK EXCHANGE

LONDON

19

DEAR SIR

I am directed to acquaint you that the Committee have allowed your application for the registration of Mr _____ as your Clerk.

FOR ADMISSION TO THE DECODING ROOMS for the year commencing 25th March 19 _____

I am Dear Sir

Yours faithfully

EDWARD SATTERTHWAITE

Secretary to the Committee for General Purposes
To _____

REGULATIONS AS TO REGISTRATION OF DECODING ROOM CLERKS

Members will register in the Decoding Room which will be required to register the names of the Clerks who will be employed in the room and in the register the Clerks who will be employed in the room.

Members applying to register Clerks must attend before the Clerk Sub-Committee to receive permission which the Committee may withdraw at any time. All Clerks admitted to the Decoding Room shall be bound by the Regulations of the Members who register in the Decoding Room. Unauthorised Clerks are not allowed to enter the Decoding Room or the Settling Rooms.

shall be taken forward to the Members of the Committee who will be required to register the names of the Clerks who will be employed in the room and in the register the Clerks who will be employed in the room.

In a case of emergency a Member may write a letter to the Chairman or the Deputy-Chairman of the Committee who will be required to register the names of the Clerks who will be employed in the room and in the register the Clerks who will be employed in the room.

Clerks' Badges

(Rule 65)

- 30 Regulations as to Clerks' Badges—

1 An Unauthorised Clerk will not be allowed to enter the House or the Settling or Clearing Rooms without a Blue Badge worn in the lapel of the coat and a Settling Room Clerk will not be allowed to enter the Settling Room without a Red Badge worn in the same manner.

2 The only Badges authorised are those issued from the Secretary's Office and Members are required to notify their loss to the Secretary.

3 If a Badge be lost a fine of 10s. is to be paid to the Trustees and Managers.

4 A Member withdrawing a Clerk is to return the Badge to the Secretary's Office at the time when the withdrawal takes effect.

5 A Member authorising a Clerk or promoting a Settling Room Clerk to the House is to return the Clerk's Badge as soon as the change is passed by the Committee.

Reference by Non Member

- 31 Form of Reference by Non Member—
(Rule 73)

To the Committee for General Purposes of
The Stock Exchange London

In the Matter of a Complaint between _____

and _____

GENTLEMEN

I do hereby consent to refer this matter to you and I undertake to be bound by the said reference and to abide by and forthwith to carry into effect your Award, Resolution or decision in this matter in the same manner as if I were a Member of The Stock Exchange and I further undertake not to institute, prosecute or cause, or procure to be instituted or prosecuted or take any part in proceedings either civil or criminal in respect of the case submitted. And I consent that the Committee may proceed in accordance with their ordinary rules of procedure and I undertake to be bound by the same. Also that the Committee may proceed *ex parte* after notice and that it shall be no objection that the Members of the Committee present vary during the enquiry or that any of them may not have heard the whole of the evidence and any Award or Resolution of the Committee signed by the Chairman for the time being shall be conclusive that the same was duly made or passed and that the reference was conducted in accordance with the practice of the Committee. And I hereby agree that this letter shall be deemed to be a submission to arbitration within the meaning of the Arbitration Act 1950.

day (also known as carry-over day), (3) ticket day (also known as name day), (4) the settlement or pay day. Leaving out of account those few securities which are dealt in in the Consol market, the settlement in which, as already stated, takes place once monthly, practically all Stock Exchange dealings are for the ensuing settling day, although exceptional dealings may take place for cash, *i.e.*, for immediate settlement. All sales and purchases effected for the account must, therefore, be adjusted on the settling day, that is to say, all securities sold must be delivered, and all bought paid for, on the ensuing settling day, unless arrangements are made to continue the bargains in the manner described under the heading of **CARRY OVER**.

On the mining contango day, the making-up prices for mining shares are fixed, and arrangements are made for continuing any bargains in this class of security. The account used to consist of three days only, but some years ago so much business arose in connection with the large number of dealings that took place in mining shares, that a special day was appointed in front of the ordinary days of the settlement to arrange the carry over in this class of share alone.

The second day of the settlement, viz., the general contango day, is the day on which the carry over or continuation of bargains in all securities other than those dealt in on the Consol market and the mining market is arranged.

On the third day of the account, viz., the ticket or name day, the work of bringing together the ultimate buyer and seller, which has already been partially described under the heading of **CLEARING HOUSE**, is commenced. The system of passing tickets, which is described under the heading of **CLEARING HOUSE**, is not limited to those securities that happen to be included in the working of that institution, for everyone who has purchased registered stock or shares has to pass a ticket on which is written either his own name or that of some other individual who is prepared to take up the stock or shares and pay for them. As is shown in our description of the Clearing House, the last purchaser of stock during the account passes a ticket to the individual from whom he bought, who in turn passes the ticket on to the person from whom he bought, and so on. These tickets are, in fact, treated as stock, and pass from seller to seller, thus closing the transaction and creating differences for collection, such differences being paid on the last day of the account, known variously as "the account," "account day," "the settlement," "settling day," and "pay day." The final and most important day of the settlement is the pay day, or account day, on which securities that have been purchased during the account are delivered and paid for, and the various differences arrived at by means of the ticket system, or through the Clearing House, as already explained, are paid.

The delivery of securities commences at 10 a.m., and lasts until 2.30 p.m., after which hour payment cannot be demanded on that day. Bearer securities are paid for on delivery, and if a ticket has been issued in respect of them, they are paid for at the price named on the ticket. The difference between the making up, or ticket price, is settled by the various parties concerned as "differences." If bearer securities are not delivered by half-past 2 on settling day, they may, on compliance with certain formalities, be bought in on the following or any subsequent day.

As regards registered stock or shares, change of ownership in which can only be effected by means of a deed of transfer, the seller is allowed a delay of ten days in which to deliver the certificates of the shares, together with a transfer executed by the seller. If this is not done within a period of ten days from the settling day, the issuer of the ticket, *i.e.*, the buyer, may buy in the shares after half-past 1 on the eleventh or any subsequent day after the date of the ticket. A transfer deed executed by the registered proprietor of the stock or shares must be accompanied by the supporting certificate, unless the transfer is certified (see **CERTIFIED TRANSFER**), that is to say, unless an official of the Company, or the Secretary of the Share and Loan Department of the Stock Exchange, has marked it to the effect that a certificate for the stock or shares named in the transfer deed has been lodged with him. Various rules exist as to what constitutes good delivery. Thus, a bond or certificate that is torn or damaged to such an extent that a material part of the wording is obliterated, is not deemed to be good delivery, and a buyer cannot be called upon to accept as good delivery a certificate of American shares in a larger denomination than fifty shares of \$25 each, twenty shares of \$50 each, or ten shares of \$100 each, nor is he obliged to accept a bond of a larger denomination than \$1,000.

Various rules govern the method of payment. For example, cheques must be crossed and drawn to bearer, and must be passed through the Bankers' Clearing House, unless the drawer consents to their being otherwise presented. If a member requires bank notes in payment for securities sold, and has not made a stipulation to this effect at the time the bargain was entered into, he must give notice to the buyer before half-past 11 on the day of delivery. One of the rules of the Stock Exchange expressly stipulates, however, that no member is entitled to demand bank notes in payment of differences.

STOCK HOLDER.—The person who is the holder of stock in the public funds or in the funds of a joint-stock company.

STOCK-IN-TRADE.—Goods which are actually in the possession or under the control of a tradesman, and also the fittings, furniture, machinery, tools, and appliances of all kinds which are necessary and in use for the conduct of a trade or business.

STOCK JOBBER.—This is the name given to the dealer on the Stock Exchange who conducts the real business of the transfer of stocks and shares, by purchase or sale, through the intermediate action of the stockbroker. The stock-jobber is not allowed to deal directly with the public, a stockbroker must be employed. It will be seen that the stock jobbers are, as it were, merchants dealing in the goods, wares, and merchandise which form the stock-in-trade of the members of the Stock Exchange. The profits of the jobbers arise out of the difference between their buying and their selling prices. This is very frequently known as the "turn" of the market.

STOCK RECEIPT.—The receipt which is given by the seller or his attorney, to the purchaser, when inscribed stocks are transferred. It is of no value as a security. A holder's title is the entry in the stock books at the place where the stocks are domiciled. Certain stocks may be converted by a holder into certificates to bearer. (See **STOCK CERTIFICATE TO BEARER**.)

In order that inscribed stock may be taken as a security for an advance, it must be registered in

the name of the bank or in the names of the bank's nominees.

STOCK TAKING—In order that a trader may ascertain his exact financial position it is necessary that he should periodically examine carefully the stock which he has on hand and at the same time cause a valuation to be made of his machinery, fittings or appliances used in his business. This is known as taking stock.

STOCK TRUST CERTIFICATE—This is the name of a certificate issued by certain American railroad companies. It certifies that on surrender some person who is actually named will be entitled out of certificates delivered to certain named trustees to receive a certificate for a number of shares of a named value.

On the back of the certificate is a form of transfer and an appointment of an attorney to transfer all interest in the stock trust certificate in the books of the trustees. (See AMERICAN SECURITIES.)

STOCK VALUATION—The correct valuation of stock is a most important factor by reason of its effect upon the trading results. It is necessary that the most careful consideration be given to the basis of valuation as subsequent comparisons of the results of periods unless all are arrived at by a similar method only lead to confusion and are misleading. Even slight indications of values are sufficient to give wrong figures whilst an underestimation of value creates a secret reserve.

In the first place it is necessary that stock should be carefully taken so that no goods are taken into account which are not included in purchases nor goods undelivered which have been charged in the day book. Unsaleable stock should have special attention and notes made on the stock sheets to the effect that it has depreciated in value.

The stock sheets having been made up as to quantities etc. the valuation should be left to a responsible person who should be prepared to give a certificate as to value and the basis of the same.

The general rule and the one deemed to be the most prudent is to value on the basis of cost or market value whichever may be the lower at the date of stock taking. This rule is based on the fact that profit is not earned until the sale is actually made and should a market price which is above cost be taken it is anticipating a profit.

In regard to the valuation of stocks in manufacturing businesses the following are the usual bases adopted—

Raw Materials At cost or market adding direct charges.

Partly Manufactured Goods At cost of materials plus labour and direct charges.

Finished Goods At cost of production and a percentage of fixed charges.

Certain businesses require to add a percentage to the original cost of stock for interest on the capital employed in keeping such stock. A good example of this is in the case of a wine merchant who may stock certain wines etc. until they mature for the longer they are kept the higher value they carry.

STOCK WARRANT—A stock warrant to bearer is a negotiable instrument (qv) which entitles the bearer of the warrant to the stock therein specified.

A stock warrant is included in the expression "share warrant in the Companies (Consolidation) Act 1904." (See SHARE WARRANT.)

STOLEN BANK NOTES—When bank notes have

been lost or stolen a notice is sometimes put forward to the effect that payment of them is stopped. This stoppage is not always of much value. It does nothing more than put people on the alert and sometimes the course taken by notes which are missing may be traced but it must not be forgotten that bank notes are negotiable instruments and that if they get into the hands of a person who has taken them *bona fide* and for value the holder is entitled to retain them whilst they have been lost or stolen. Their previous history is irrelevant so long as the holder has a *bona fide* title in good faith. It must be recollected that in matters connected with all kinds of negotiable instruments a thing is said to be done in good faith if it is in fact done honestly whether the holder is a banking negligent about it or not.

A bank note is of course the subject of larceny and the actual thief or the person receiving the note well knowing it to have been stolen is guilty of a criminal offence.

STOLEN BILL—A bill of exchange is capable of being stolen like any other negotiable instrument or document of title but the civil position as to the liabilities of parties is more difficult than in the case of a stolen bank note. This is largely owing to the fact that section 20 of the Bills of Exchange Act 1882 gives very full authority to the holder of an inchoate instrument (qv) to turn the document into a complete bill. But this does not permit of the filling up and the conversion being effected by any person other than the one who is duly authorised to do it. Thus if an inchoate bill is stolen no action can be brought upon it for it would have to be signed by some person or other and the signature placed upon it would be either a forgery or an unauthorised signature. It is specially provided by section 24 of the Act that a forged or unauthorised signature is altogether inoperative. In one case a blank acceptance was placed in a desk by the acceptor. It was stolen and after some person had filled in his name as drawer the bill was negotiated. It was held that even a holder in due course (qv) could not recover the amount of the bill from the acceptor as he had never delivered the inchoate document for the purpose of being converted into a bill. Whatever remedies may exist for those persons who have dealt with the instrument these are altogether independent of the document which was in fact never a bill of exchange at all.

If however the bill is complete in form the position of the parties will depend upon special circumstances. Thus suppose the bill is drawn to order or is specially indorsed and is then stolen. The bill requires indorsement. Unless then the proper person indorses it the signature of the indorser is either forged or unauthorised. No title can be made to the bill and even a holder in due course has no claim against any party to the bill whose name appeared thereon prior to the forged or unauthorised signature. His remedy civil or criminal is against the person or persons from whom he took it. On the other hand however if the bill is payable to bearer or indorsed in blank and is then stolen since no indorsement is necessary, a holder in good faith and without notice that his title to the bill is defective is entitled to demand payment of the same from any person who is a party thereto. Also if a bill which is indorsed in blank is stolen whilst in the course of negotiation from any person who was the holder of it the

has lost his goods he should immediately make a complaint to the police and the police will at once issue circulars to the pawnbrokers of the district describing the articles stolen and warning them against taking them in pledge.

It is an offence for any person from whom goods have been stolen to issue an advertisement for their restoration and to promise that no proceedings shall be taken against the thief. The maximum penalty is £50 (See COMPOUNDING). Proceedings may also be instituted against a newspaper for inserting such an advertisement but no prosecution is possible in the latter case without the permission of the Attorney General.

The law as to market overt does not apply to Scotland. (See SALE OF GOODS).

STONE—This is a weight of 14 lbs. but there is also a butcher's weight called a stone used in the meat trade which is only 8 lbs. (See WEIGHTS AND MEASURES).

STOP—This is the name given to a letter or order sent to a banker instructing him to refuse payment of a bill cheque or note which has been lost or stolen. The stoppage does not necessarily signify that the holder of the document will be a loser in the long run for since each of the instruments named is a negotiable instrument—unless in fact the bill or the cheque has been crossed and not negotiable.—A holder in due course (q.v.) has a perfect title whatever the previous history of the instrument may have been. But an order of this character permits of inquiries being made and may result in the tracing of the person or persons who have been guilty of dishonest dealing. (See PAYMENT STOPPED).

STOPA—(See FOREIGN WEIGHTS AND MEASURES—RUSSIA).

STOP ORDER—This is an order made by a court of competent jurisdiction in the case of a person who is entitled to a certain fund either by assignment or mortgage or otherwise for bidding any dealing with the fund to his prejudice or without giving him notice of any proposed dealing. The order secures the position of the applicant.

Recently the name stop order has been introduced from America and is used in another completely different sense. It signifies that a broker has orders to sell on the best terms he can get if the price should go against the operator and reach a named figure. For example if a bull of 700 shares standing at 90 sees that the market is weakening he might give his broker a stop order at 85 which would mean that should the price fall to 85 the broker is to sell the shares at once for the best price he can obtain even though he cannot get more than 85 for them.

STOPPAGE IN TRANSIT—An unpaid seller of goods (see SALE OF GOODS) who has parted with the possession of the goods may if the buyer becomes insolvent stop the goods while they are in transit to the buyer or consignee and resume possession of the goods and retain them until payment or tender of the price. This right is generally known as the right to stop in transit or the right of stoppage in transit and the effect of its successful exercise is to place the seller in the same position as if he had not parted with the goods and so enable him to exercise his remedies in (1) an action and (2) if the latter exists the sale is not rescinded by the exercise of the right. The remedies are (1) an action for the right to stop (2) an unpaid seller's lien and (3) goods in course of transit.

An unpaid seller is one to whom the whole price has not been paid or tendered or who has been conditionally paid by means of a bill of exchange or other negotiable instrument which has been subsequently dishonoured. Still it includes any person who is in the position of a seller as for instance an agent of the seller to whom the bill of lading has been indorsed or a consignee or agent who has himself paid or is directly responsible for the price. A vendor who has sold on credit may stop the goods before the period of credit has expired if the buyer becomes insolvent and if the goods are delivered to him.

A buyer is deemed to be insolvent if he has either ceased to pay his debt in the ordinary course of business or cannot pay his liabilities when they become due whether he has committed an act of bankruptcy or not and whether he has become bankrupt or not. Whether a particular buyer is insolvent or not must be a question of fact in particular cases and an unpaid vendor who has any doubts about the matter will probably stop the goods and if it turns out that the buyer is still solvent then deliver the goods—though he will be liable to pay any expenses incurred and possibly to pay damages. This risk however will generally be less than that of losing the goods and the price.

It is only while goods are in course of transit that the right of stoppage can be exercised and it is therefore necessary to ascertain with precision when transit begins and when it ends. By virtue of section 45 of the Sale of Goods Act 1893 goods are deemed to be in course of transit from the time when they are delivered to a carrier by land or water or other bailee or custodian for the purpose of transmission to the buyer until the buyer or his agent in that behalf takes delivery of them from such carrier or other bailee or custodian. If the buyer or his agent obtains delivery of the goods before their arrival at the appointed destination the transit is at an end even though such delivery is obtained and possession of the goods taken against the carrier's will. If after the arrival of the goods at the appointed destination the carrier or custodian acknowledges to the buyer or his agent that he holds the goods on the buyer's behalf the transit is ended for the carrier then holds as a warehouseman not as a carrier but if transit is not ended if the buyer rejects the goods and if the carrier continues in possession of them even though the seller has refused to take them back. If the carrier wrongfully refuses to deliver to the buyer the transit is ended. When goods are delivered to a ship chartered by the buyer it will be a question of fact whether they are in the possession of the master of the ship or ship as a carrier or as an agent for the buyer. Where part of the price of the goods has been made to the buyer or is payable the remainder of the goods may be stopped in transit unless the part delivery has been made and the circumstances as to show an agreement to the possession of the whole of the goods.

The right of stoppage in transit is not a lien by any sale or other disposition of the goods made by the buyer without the seller's consent but it is a bill of lading or other document of title to the goods if it is lawfully transferred to any person as buyer or owner of the goods and that person transfers it to a person who takes it in good faith and for valuable consideration then it is not subject to the unpaid seller's right of stoppage. The unpaid seller's right of stoppage is not affected by the fact that the goods are in the possession of a third party who has acquired them in good faith and for valuable consideration.

are noted of the various jobs or contracts to which stores are issued and analysis made in the same way as in the stores received book the totals of the analysis columns being credited to the accounts in the stores ledgers for the respective classes of materials the credits of the stores ledger accounts thus giving the details for the total which is credited to the stores account in the nominal ledger.

Thus the stock on hand at any time is shown by the balance of stores account in the nominal ledger and the stock of each particular class of materials on hand at any time is shown by the account for that class of material in the stores ledger with which the actual stock should agree on stock taking.

STOTINKI—(See FOREIGN MOVES—BULGARIA.)

STOWAGE—Wages paid for stowing a ship.

STRADDLE—This is an American expression used in the same sense as "put and call" (q.v.) but applicable when the price is the same whether the stock is put or called.

STRAITS SETTLEMENTS—The British trading colonies known as the Straits Settlements comprise Singapore, Penang (including Province Wellesley and the Dindings) and Malacca. Singapore is described elsewhere. Penang is an island of 107 square miles lying about 365 miles north of Singapore. On the opposite shore of the mainland from which Penang is separated by a strait from 2 to 10 miles broad is Province Wellesley a strip of land about 9 miles wide by 45 miles long and covering 288 square miles. Off the coast of Perak lie the small islands of Pangkor which together with a small strip of the opposite mainland occupy an area of 265 square miles and the whole is known as the Dindings. Malacca is situated on the western coast of the peninsula between Singapore and Penang and has an area of about 609 square miles. The population of Penang is 250,000 and that of Malacca 80,000. Europeans make a small proportion of the population of the Straits Settlements the number being little over 5,000. Malacca and Penang possess a hotter and drier climate than Singapore though the rainfall is greater.

Penang succeeded Malacca as a trade centre and has itself given place to Singapore. It possesses a fine harbour in Georgetown and is still carries on an important trade with the mainland. Much Perak tin is exported from Penang. Its productions include cloves, coffee, sugar and tropical fruits.

Wellesley Province has important tin-smelting works and its alluvial plain yields pepper, sugar, rice, tapoca, betel nuts and spices.

Malacca produces tin, rice, rubber, tapoca and spices. Its capital is the town of Malacca.

The Federated Malay States Railway System extends through Province Wellesley to Penang and through Malacca territory to the town of Malacca. Bullock-carts carry merchandise beyond the rail ways. The chief exports are tin, pieces, gambier, gums, tapoca, sago, rattans, and copra, and the chief imports are rice, cotton piece goods, opium, fish, coal, tobacco and petroleum. Most of the trade passes through Singapore and Penang which are also important ports of call.

Closely connected with the Straits Settlements are the Federated Malay States of Terak, Selangor, Negri Sembilan and Pahang which are under British protection. These States adjoin each other and the first three lie on the western side of the mountain chain forming the backbone of the Malay

Peninsula while Pahang lies on the eastern side. The total area of the four States is about 27,000 square miles and the population almost 1,000,000. Tin is one of the most important products.

Mail is despatched every Friday night via Italy and the time of transit is about three weeks.

For map see EAST INDIES page 568.

STRAND—This is a term used in marine insurance (q.v.) to signify the running of a ship on a rock, a sandbank or on shore and allowing it to remain stationary there for any length of time.

STRAW—Among the primary uses of the dried stalks of cereals known as straw are its employment as a bedding material as a manure and as a material for packing, thatching, etc. It is also much used for doormats, mattresses, baskets and in paper making (q.v.). Large quantities are required for straw plaiting which has long been an important industry in Italy where Tuscany and Leghorn are still famous for their products. Since the introduction into England of the Tuam variety of straw the English trade has made rapid progress but the tremendous shipments of common plants from Canton has seriously affected the straw plaiting industry of Luton and Bedfordshire. The latter trade has however benefited as these plants are all made up for re-exportation to Australia and the continent.

STRAWBERRIES—The delicious succulent fruit of all the species of the genus *Fragaria*. The wild strawberry is the *Fragaria vesca* but there are numerous cultivated varieties grown in all temperate regions. The home-grown fruit is far superior to the imported product and is highly esteemed as a dessert in June and July. Forced strawberries are always obtainable. There is a large demand for strawberry jam for which the imported fruit is much used.

STRAW HATS—(See STRAW.)

STRAW PLAITING—(See STRAW.)

STRICK—(See FOREIGN WEIGHTS AND MEASURES—HOLLAND.)

STREET PHILLS—As the American time is behind that of Great Britain by several hours the quotations of the prices ruling across the Atlantic are not known until after the London Stock Exchange has been closed. The dealers in American securities therefore are compelled to carry on their business in the street, i.e. outside the Exchange and hence the origin of the "street market" and street prices.

STRICK—(See FOREIGN WEIGHTS AND MEASURES—CAPE.)

STRICK—(See FOREIGN WEIGHTS AND MEASURES—GERMANY.)

STRIKE—A strike is a refusal by workers to continue work except under certain conditions which their employers are temporarily or permanently unable or unwilling to concede. A lock-out differs from a strike only in the fact that the employers take the initiative. They prohibit certain terms to their workers and the workers feel free to accept the terms. The employer with reason closes their works. In the one case the workers give notice in the other the employers terminate the engagement. A strike or a lock-out is a labour concern as a business transaction. The workers have no right to "thrust" labour on the employers have the means of purchasing the goods—the claim which they have on the stock of useful things as existing claims which constitute their capital. The sellers may refuse to accept a certain price

the goodwill of their colleagues on the Board; in arbitration, however, the parties contend as advocates of opposing claims before a third party, and they naturally put their cases as strongly as they may. Arbitration is, of course, more immediately effective than conciliation, for a decision is obtained, it is customary, indeed, for work to be resumed as soon as arbitration has been accepted, and pending the arbitrator's decision. But it may be questioned whether it is as effective in the long run, and unwilling submission may leave the old grievance intact, so that the dispute is not settled, but simply postponed.

Compulsory arbitration, such as exists in New Zealand, has done good work, but there a strong idea of responsibility exists in the Unions, and they have sufficient property to make them hesitate to refuse an arbitrator's decision, and so incur the rather large fine (£500) imposed. Elaborate precautions are taken to ensure an arbitrator perfectly neutral and perfectly free from suspicion of corruption, so that industrial peace has, with some slight exceptions, been maintained. In other countries, the results might be less admirable. The decision could always be enforced against the employer: he can be "got at" by the law, and if he licks against the award he is penalised, but how penalise the recalcitrant workman? He is probably a "man of straw," from whom damages could not be obtained. The Unionists could hardly be imprisoned in a body, and even if they are compelled to labour against their will, they would resemble slaves, and would render the inefficient service of slaves. Compulsory arbitration must be one-sided if we can enforce it against only one of the parties.

A more radical attempt to remove friction between masters and men is that whereby in a manner the men are made their own employers. Shares either ranking in all respects with those of ordinary shareholders, as in Sir Christopher (now Lord) Furness's schemes, or shares solely for employees, as in Sir W. H. Lever's co-partnership scheme, are allotted to the workers. These are either purchased at a lower rate than the outside public pays or by easy instalments, or given as rewards for good service, and they rank with other shares for dividend. Where the working shareholders have not a controlling voice in the management, they have at least a right to be consulted; and their chosen representatives form, with the directors, a consultation board. The employers believe that they will be more than recompensed for their loss on the sale of the shares by their securing the devotion and good feeling of their workers. In one well-known scheme, partnership shares are distributed to all employees of a certain standing up to a defined maximum. No payment is taken for these, but the recipient signs an undertaking not to waste time, labour, material, or money in the discharge of his duties, but loyally and faithfully to further the interests of the firm to the best of his skill and ability.

STRONTIUM.—A metallic element of yellowish colour, belonging to the calcium family. It occurs in the mineral strontianite (first found near Strontian in Argyllshire) and in celestine (*gr.*). Of its compounds, strontium nitrate and strontium hydroxide are best known. The former burns with a characteristic red flame and is used in pyrotechnics, and the latter is employed in the manufacture of beetroot sugar.

STROPHANTHUS SEEDS.—The seeds of the

tropical plant *Strophanthus hispidus*. They are imported from West Africa for the sake of their bitter principle strophanthin, which resembles digitalin in its medicinal action. The drug obtained from these seeds is used as a cardiac stimulant in the same way as digitalis (*qv*), but care is required in its administration, as it is extremely poisonous.

STRYCHNINE.—A poisonous alkaloid obtained from the seeds of the *Strychnos Nux Vomica* (*rv*), a shrub found in India, Cochun China, and the East Indies. It occurs in small, colourless, intensely bitter crystals, which are slightly soluble in water. When administered in minute doses, it is valuable as a cardiac stimulant and as a stomachic, but it acts as a virulent poison if taken in large quantities, causing convulsions, followed by death. Its chemical symbol is $C_{21}H_{22}N_2O_2$.

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SUB-AGENT.—A person employed by an agent to transact the whole or a portion of the business entrusted to the agent. (See AGENCY.)

SUB JUDICE.—The literal meaning of this Latin phrase is "under a judge." It signifies that certain proceedings are still pending and under the consideration of a court of justice, and that no final decision has as yet been given. It is a contempt of court (*qv*) to criticise in any way matters so long as they are *sub judice*, on the ground that such criticism might tend to a miscarriage of justice.

SUB-LEASE.—A lease made by a lessee to another person.

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SUBMISSION TO ARBITRATION.—(See ARBITRATION.)

SUBORNATION OF PERJURY.—The offence of persuading a person to give false evidence in a judicial or other proceeding. (See PERJURY.)

SUBPOENA.—This term is compounded of two Latin words, *sub* and *pœna*, which signify "under a penalty." It has now come to be applied to a writ (so called from its first two words), which commands a person to attend to give testimony in a court of justice, and names a penalty to which the person summoned is liable in case of disobedience. A subpoena is either for the simple purpose of commanding a witness to attend to give evidence (*ad testificandum*), or to produce certain documents (*duces tecum*). No penalty can be imposed unless the witness at the time of being served with the subpoena receives a sum of money to defray his necessary expenses of attending court.

Every subpoena other than a subpoena *duces tecum* may contain any number of names, where necessary or required, but a subpoena *duces tecum* cannot contain more than three names, and the party suing out the same is at liberty to receive a

in the High Court of Justice

1912—B—No 8972.

KING'S BENCH DIVISION

G I

Between

Subpoena ad Test
(General Form)*Joseph Brown*

PLAINTIFF

AND

*Alfred Simpson**Thomas Smith and**John Thompson*

DEFENDANTS

George the Fifth, by the Grace of God of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas King Defender of the Faith To *James Douglas Robinson of 397 Rosland Road Smithtown in the County of Blankshire* Greeting WE COMMAND YOU to attend before *our Justices assigned to take the Assizes in and for the County of Blankshire to be holden at Winterstown on Friday the eighth day of November 1912 at the hour of 10.30 in the fore noon and so from day to day during the said Assizes until the above Cause is tried to give evidence on behalf of the above named Defendants*

WITNESS *Richard Burdon Viscount Haldane of Cloan* Lord High Chancellor of Great Britain the *fifth* day of *November* in the year of Our Lord One thousand nine hundred and *twelve*

A B—Notice will be given to you of the day on which your attendance will be required

For Witness

(Fee 5s. for every three Witnesses)

the goodwill of their colleagues on the Board, in arbitration, however, the parties contend as advocates of opposing claims before a third party, and they naturally put their cases as strongly as they may. Arbitration is, of course, more immediately effective than conciliation, for a decision is obtained, it is customary, indeed, for work to be resumed as soon as arbitration has been accepted, and pending the arbitrator's decision. But it may be questioned whether it is as effective in the long run, and unwilling submission may leave the old grievance intact, so that the dispute is not settled, but simply postponed.

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There is a widespread belief that a legal document is invalid if it is dated on a Sunday. This is quite wrong. An agreement, a bond, a conveyance, a mortgage, a will, etc., may be dated and executed on a Sunday as well as on any other day. And it is expressly provided by the Bills of Exchange Act 1882, that a bill, a cheque, or a promissory note is not invalid by reason that it is dated on a Sunday.

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SUNFLOWER.—A species of coarse plants belonging to the genus *Helianthus*. Its various products are chiefly exported by Russia but the plant is also extensively grown in Germany. The seeds are used as a poultry food and as a substitute for coffee. An oil resembling olive oil is extracted from them and a species of oil cake is produced. A brilliant yellow dye is obtained from the flowers and the stems yield a strong fibre.

SUN HEMP.—An Indian plant the *Crotalaria juncea* extensively cultivated for the fibre of its bark which is much used for the manufacture of rope twine and sackcloth. It is also known as Indian hemp. Another species is grown in tropical Australia.

SUPERANNUATION.—An annual pension granted to a person on account of long and faithful service, old age, or physical infirmity.

SUPER CARGO.—An officer of a merchant ship whose business it is to accompany the vessel in order that he may superintend the sale of the cargo and also if possible procure other cargo for the return voyage.

SUPERTAX.—(See INCOME TAX.)

SURETY PROTEST.—(See PAYMENT FOR LOSS OF A.)

SUPREME COURT.—Also called the High Court (q.v.).

SURETIES.—A surety is a person who gives a guarantee (q.v.). He is sometimes called a guarantor and may be more precisely defined as one who undertakes with the creditor of a third party to be secondarily liable for some debt, default, or misadventure for which a third party is or intends to become primarily liable to such creditor. The obligations and rights of sureties have already been treated under GUARANTEE (See also FRAUDS STATUTE OF).

SURRENDER.—(See PLEADINGS.)

SURRENDER VALUE.—(See LEADINGS.)

SURRENDER VALUE.—This is a term used in connection with life insurance and it signifies generally the amount of money which an insurance company is willing to pay to an insured person in consideration of his surrendering his policy and giving up his claims against the company. It is out of surrenders and lapses that insurance companies make a considerable portion of their profits. The surrender value is calculated by the number of years the policy has been in existence and consequently the older the policy, the greater is the surrender value. Owing to the keen competition that now exists in the insurance world, insurance companies are becoming more generous in the return, though these terms are invariably lower than the market value of the policy. Consequently instead of a surrenderer to the company a large amount of business is now done in the buying and selling of policies at prices higher than the surrender value and the purchaser keeps the insurance alive by paying the premiums instead of the insured and takes the

benefits of the same upon the insured person's death.

SURTAX.—An additional tax beyond that which is ordinary. Also called Super tax (q.v.).

SURVEYOR.—A surveyor is a person who is skilled in surveying and valuing land (whether with or without buildings thereon), buildings, works and dilapidations and in managing or paying out rates. Like other professional men he has the right to charge for his services and if he is guilty of negligence or incompetence he is liable to incurring his client for any loss occasioned by such negligence or incompetence.

The work and duties of a surveyor often overlap those of an auctioneer, land agent, architect. An auctioneer or land agent is a person qualified to make a valuation of land, an architect or even a builder can survey and value dilapidations, an estate agent can manage an estate and an architect is often competent to lay out an estate. The reader is accordingly referred to the article ARCHITECT AUCTIONEER ESTATE AGENT HOUSING AGENT.

There are many classes of surveyors appointed by statutory authority, e.g.—

(1) Under the Merchant Shipping Act 1894 the Board of Trade may appoint surveyors of ships at such ports as they think fit for the purpose of inspecting at any time the machinery, boats, equipments or articles on board any steamship, or the certificates of the master, mate or engineer thereof. In addition to the local surveyors there is a surveyor general for the United Kingdom. These surveyors have to make returns to the Board of Trade as that Board may require with respect to the build, dimensions, draught, burden, rate of sailing, room for fuel, and the nature and particulars of machinery and equipments of ships surveyed by them.

(2) District Surveyor appointed either (A) by the London County Council or the Metropolitan Borough Councils to supervise the execution of the London Building Acts. Among his duties are (a) to see that a building is constructed according to the plans and particulars approved by the Council, (b) to survey a dangerous structure and certify to the Council his opinion as to the state of the structure, (c) to survey a structure on application made to him for renewal of a licence and to issue a certificate, (d) to examine plans of building intended to be erected and certify as to its correctness. Or (B) by urban and rural district councils to act as the agent in supervising streets, building and drainage.

(3) County Surveyor. Any county council is entitled to appoint and remove but not alter their power to appoint a county surveyor.

(4) Surveyor of Highways. This is an office that has existed since the time of Queen Mary in 1555, but the powers and duties of the office are now exercised in the County of London by the Metropolitan Borough Councils and in all other areas by the urban or rural district council except in so far as they are exercised in relation to main roads by the county council.

(5) Surveyors of Taxes. Appointed by the Treasury under the Taxes Management Act 1889 for the purpose of surveying and inspecting the duties of land tax and income tax and other things belonging to the office of surveyor as conferred by the powers conferred by the Tax Acts and the Land Tax Act.

Served the Summons, of which this is a true copy, on the day of 1912, at the address given, by delivering the same to the Defendant personally [or by delivering the same] at the hour [or place of dwelling, or place of business] of the Defendant, to apparently not less than 16 years old, who promised to give the same to the Defendant the same day

Bailiff of the

County Court

[If the Summons has been served in any other manner, pursuant to the provisions of Order VII, the mode of service must be stated in the endorsement]

If you confess the Plaintiff's claim,—by doing which you will save half the hearing fee,—you should sign a confession, printed forms for which may be obtained at any office, before the Registrar of any Court, and forward it to the Registrar of this Court FIVE CLEAR DAYS before the return day, that is, the day of trial. The confession, if not signed before a Registrar, must be signed before a solicitor, but you may deliver your confession to the Registrar of this Court at any time before the action is called on, subject to the payment of any further costs which your delay may have caused the Plaintiff to incur.

If you and the Plaintiff can agree as to the amount due and the mode of payment, and will before the action is called on for trial sign a memorandum of such agreement at the Registrar's office of this Court or before a solicitor, you will save half the hearing fee.

If you pay the debt and costs, as stated in the Summons, into the Registrar's office FIVE CLEAR DAYS before the day of trial, you will avoid further costs, unless the Judge orders you to pay any further costs properly incurred by the Plaintiff before receiving Notice of such payment; but you may pay the same at any time before the action is called on for trial, subject to the payment of any further costs which your delay may have caused the Plaintiff to incur.

If you admit a part only of the claim, you may, by paying into the Registrar's office the amount so admitted, FIVE CLEAR DAYS before the day of trial, together with costs proportionate to such amount, avoid further costs, unless the Plaintiff proves at the trial an amount exceeding your payment, or the Judge orders you to pay any further costs properly incurred by the Plaintiff before receiving Notice of such payment.

If you intend to dispute the Plaintiff's claim on any of the following grounds;—

- 1 That the Plaintiff owes you a debt which you claim should be set off against it;
- 2 That you were under Twenty-one when the debt claimed was contracted;
- 3 That you were then, or are now, a married woman,
- 4 That the debt claimed is more than six years old,
- 5 That you have been discharged from the Plaintiff's claim under a Bankrupt or Insolvent Act;
- 6 That you have already tendered to the Plaintiff what is due,
- 7 That you have a Statutory or Equitable Defence,

you must give notice thereof to the Registrar FIVE CLEAR DAYS before the day of trial; and such notice must contain the particulars prescribed by the County Court Rules, and you must deliver to the Registrar as many copies of such notice as there are Plaintiffs, and an additional copy for the use of the Court. If your DEFENCE be a SET-OFF, you must, with the notice thereof, also deliver to the Registrar a statement of the particulars thereof. If your DEFENCE be a TENDER, you must pay into Court the amount tendered.

If the debt or claim exceeds five pounds, you may have the action tried by a Jury, on giving notice in writing at the Registrar's office TEN CLEAR DAYS before the day of trial, and on payment of eight shillings for the fees of such Jury.

Summonses for witnesses and for the production of documents by them will be issued upon application at the office of the Registrar of this Court, upon payment of the proper fee.

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ATION—An annual pension on account of long and faithful service or physical infirmity.

—An officer of a merchant ship is to accompany the vessel in a supervisory capacity and to procure other cargo for

INCOME TAX

—(See PAYMENT OF HONOUR.)

—Also called the High Court

is a person who gives a guarantee, sometimes called a guarantor, precisely defined as one who is a creditor of a third party or some debt default or hard party is or intends to such creditor. The ties have already been (See also TRADES

READINGS

READINGS

is a term used in and it signifies which an insured person is insured in an insured person's interest in his own property that rates portion value is calculated the policy has been in

—the older the policy

—the current value. Owing to the

petition that now exists in the insurance

generous in their terms though these terms are invariably lower than the market value of the policy. Consequently instead of a surrender to the company, a large amount of business is now done in the buying and selling of policies at prices higher than the surrender value, and the purchaser keeps the insurance alive by paying the premium instead of the insured, and by the

benefits of the same upon the insured person's death.

SURTAX—An additional tax beyond that which is ordinary. Also called Super tax (q.v.)

SURVEYOR—A surveyor is a person who is skilled in surveying and valuing land (whether with or without buildings thereon) building work and dilapidations and in managing or laying out estates. Like other professional men he has the right to charge for his services and if he is guilty of negligence or incompetence he is liable to indemnify his client for any loss occasioned by such negligence or incompetence.

The work and duties of a surveyor sometimes overlap those of an auctioneer, land agent, architect. An auctioneer or land agent is generally qualified to make a valuation of land, an architect or even a builder can survey and value buildings, an estate agent can manage an estate, and an architect is often competent to lay out an estate. The reader is accordingly referred to the articles ARCHITECT, AUCTIONEER, ESTATE AGENT, HOUSE AGENT.

There are many classes of surveyors appointed by statutory authority, e.g.—

(1) Under the Merchant Shipping Act 1894 the Board of Trade may appoint surveyors of ships at such ports as they think fit for the purpose of inspecting at any time the machinery, boats, equipments or articles on board any steamship or any certificates of the master, mate or engineer thereof. In addition to the local surveyors there is a surveyor general for the United Kingdom. The surveyors have to make returns to the Board of Trade as that Board may require with respect to the build, dimensions, draught, burden, rate of sailing, room for fuel and the nature and particulars of machinery and equipments of ships surveyed by them.

(2) District Surveyor appointed either (a) by the London County Council or the Metropolitan Borough Councils to supervise the execution of the London Building Acts. Among his duties are (a) to see that a building is constructed according to the plans and particulars approved by the Council, (b) to survey a dangerous structure and certify to the Council his opinion as to the state of the structure, (c) to survey a sky sign on application made to him for renewal of a licence and to issue a certificate, (d) to examine plans of building intended to be erected and certify as to its correctness. Or (2) by urban and rural district council to act as their agent in supervising streets, buildings and drainage.

(3) County Surveyor. Any county council is entitled to appoint and some but not all exercise their power to appoint a county surveyor.

(4) Surveyor of Highways. This is an office that has existed since the time of Queen Mary in 1555 but the powers and duties of the office are now exercised in the County of London by the Metropolitan Borough Councils and in all other counties by the urban and rural district council, except in so far as they may exercise in relation to main roads by the county council.

(5) Treasury for the duties things to the Land

If a surveyor of taxes wilfully makes a false and vexatious charge of the duties, or is guilty of any fraudulent, corrupt, or illegal practices in the execution of his office, he must, on conviction, be discharged from his office, and is further liable to a penalty of £100 for each offence.

Besides the above-mentioned statutory surveyors, there are several other classes of surveyors with special duties.

A Quantity Surveyor is a person whose business consists in taking out in detail the measurements and quantities from plans prepared by an architect for the purpose of enabling builders to calculate the amounts for which they would execute the plans. He must have a sufficient knowledge of architecture and the building trade to construe the meaning of the plans and drawings, and to estimate the amount of labour and materials required for each item of the work.

The usual charge of a quantity surveyor is from 1 per cent to 2½ per cent of the contract price, and is payable by the building owner, if the quantity is employed (1) by the building owner, or (2) by the architect with the express authority of the building owner. But if there is a condition in the Bill of Quantities that the builder who obtains the contract shall pay the quantity surveyor, the builder, and not the building owner, is liable to pay these charges. The building owner may, however, expressly limit the authority of the architect to engage a quantity surveyor, or may prohibit it altogether.

SURVEYOR OF CUSTOMS.—The officer who is in superintendence at a Custom House station or warehouse.

SUSPENSE ACCOUNT.—(See ACCOUNT, SUSPENSE.)

SUSPENSION OF BANK ACT.—The Bank Charter Act, 1844, regulates the note issue of the Bank of England, and this issue cannot be exceeded, unless the Government authorises the same by suspending the Act for the time being, as may be done at times of monetary crises. The suspension has taken place on three occasions—1847, 1857, and 1866—and in each case the panic which had arisen in the money market was allayed.

SUSPENSION OF PAYMENT.—This signifies the cessation of the payment of the debts of a merchant or other person, when he has become aware of the fact that he is unable to meet the whole of his liabilities in full. A debtor commits an act of bankruptcy (*q.v.*) if he gives notice to any of his creditors that he has suspended, or is about to suspend, the payment of his debts.

SWEATING COINS.—This signifies the rubbing together of coins, or the shaking of them in a bag or box, so that a portion of the metal may be worn off by means of the friction, and afterwards collected as "dust." The practice was formerly very common, but it has now apparently become quite rare.

SWEATING SYSTEM.—The "sweater" is usually a man who as a sub-contractor has taken work at very low prices. The prices afford the sweater himself a minimum wage for hard work, and they afford to the workers whom he employs not sufficient to replace the daily wear and tear of life. To avoid the cost of erecting workshops and to escape the attentions of the factory inspector, the sub-contractor gives out the work to be done in the workers' homes. He is freed, too, from the labour of supervision except in so far as he has to decide whether an article shall be accepted

or not. A man of small capital can, by the employment of home workers, carry on business as an employer. He could not do this if he had to rent a factory and fit it up with machinery and plant. He may, it is true, be obtaining an exceptional profit by "grinding the faces of the poor," taking advantage of their necessities and ignorance, but usually the bigger man is the receiver of any inordinate gains from sweated labour. The labour is generally ill requited, because the price of the product forbids the payment of more. The consumers usually have matters in their hands. Yet, says a keen observer: "I have heard a hall full of tailors denouncing the payment of wages under the log, while they were all wearing ready-made clothes, the product of sweat shops." The trades in which sweating prevails greatly are those which produce apparel and slops, boxes, and cheap furniture—in great measure for export. "How the reputation of 'British goods' will suffer is evident. The goods are produced not for use, but for profit, they are made for sale, and so long as a sale takes place, other things do not matter, for the work valued at about 1½d an hour is "utter drudgery," and "the only aim is to do as much as possible and just well enough to avoid having it returned." The cheapness, which is the condition of the continued demand for the goods, is obtained not through the laudable method of improved processes, but by the deplorable method of ill-remunerated labour.

Sweating is possible when there is a mass of *unorganised*—usually woman—labour in excess of employment. "The apparently inexhaustible supply of unskilled labour has resulted in the building up of whole industries, dependent on the cheapest, crudest forms of manual service. No demand is made on the higher energies of the vast armies employed of girls, boys, women, and men, with no enterprise, ambition, or stamina. A kind of sodden mass of unskilled industry has thus been created" (*The Heart of the Empire*, Masterman). The presence of this appalling mass of low grade labour gives "strength" in certain trades to the economic position of London and, to a less degree, of cities like Glasgow and Leeds. Rival firms cutting prices against each other take contracts at lower and lower rates. The temptation to reduce wages to secure a working profit from the low price contract can hardly be resisted, when reduction is so easy. The workers have no coherence, are ignorant of what others get for the same work, are fearful of being without a job, and they are forced to accept the reductions. Wages, in many cases, sink so low that to reach the "starvation level" they must be increased by private or public charity.

The "home" work is a survival, or in some cases a revival, of the domestic system which was superseded by the concentration of workers in factories, and, indeed, the miserable rates paid to a large proportion of the home workers are due to a hopeless attempt to compete with machinery in well-equipped workshops. The weekly earnings of the home workers may be pitifully small, while those of the factory worker, paid at the same rate, may be fairly good. Individual bargaining means that the worker accepts the absolute minimum, for she has no reserve power, if she will not take the proffered pay, another is at hand to do the work, and starvation brings her to her knees the next day. The Select Committee on whose report the Wages Board (1909) was instituted, with powers to fix a minimum wage for "home" work, says with

studied moderation that makes its report the more telling. The earnings of a large number of people—mainly women who work in their homes—are so small as alone to be insufficient to sustain life in the most meagre manner even when they toil hard for extremely long hours. The consequence is that when those earnings are their sole source of income the conditions under which they live are often not only crowded and insanitary but altogether pitiable and distressing.

The Report classifies sweated workers as—

1 Single women widows wives deserted by or separated from their husbands and wives whose husbands are ill or unable to work

2 Wives of men out of employment. They have to take such work as is available at the moment on such terms as are offered to them.

3 Wives and daughters of men in regular employment who wish to increase the family income. They usually select pleasant work and do not ordinarily work very long hours. And another group may be formed perhaps larger than any of these of wives who work because the husband's wages are too small to keep the family these do not select pleasant work.

What is required to remove the sweating system is probably not more legislation but more light. To organise the workers so that there can be collective bargaining based on the knowledge of the conditions of the trade is a most difficult task but it should not be an insuperable one. To abolish the worship of cheapness—cheap clothes and nasty—is more difficult still but it has been achieved in many instances and to that extent has taken away one incentive to the employing of sweated labour. After all however as the Committee points out it is quite as legitimate to establish by legislation a minimum standard of remuneration as it is to establish such a standard of sanitation cleanliness ventilation air space and hours of work and the Trades Boards Act has abundant scope. For if a trade will not yield a subsistence income to average industrious workers engaged in it it is a parasite industry and it is contrary to the general well being that it should continue. Experience however teaches that the usual result of legislation of the nature referred to is not to kill the industry but to reform it. Low priced labour is a great obstacle to improvement. It discourages invention and removes or prevents the growth of a great stimulus to progress and efficiency. The immediate result of prohibiting unsatisfactory conditions in industrial life is almost invariably to direct the attention of the most competent minds in and about the trade to the production and introduction of such improvements in machinery method and processes as will enable the industry to continue under greatly improved conditions and be carried on with greater success than before.

SWEDEN.—Position, Area and Population. Sweden occupies the eastern part of the peninsula of Scandinavia having Norway on the west and the Baltic Sea on the east. Its area is nearly 173 000 square miles or almost half as large again as the United Kingdom but its population is only about 5 300 000. It is more densely populated than Norway yet it has but thirty people to the square mile and ranks second in Europe as a sparsely populated country.

Coast Line. The coast of Sweden though irregular and fringed like the Norwegian coast is much lower than that of Norway nor do the arms

of the sea penetrate far into the interior. Hence the natural harbours are much more limited. The two most important islands are Gotland and Öland in the Baltic Sea. Gotland with its port of Visby (now a small village) was an important centre of Baltic trade when it was held by the Hanseatic League.

Build. Sweden consists mainly of the longer and gentler slope of the Scandinavian Highlands which is crossed by numerous parallel rivers having south easterly trend and often widening out into lakes. The south of Sweden is occupied by the Gotland Plateau above which the main tableland rises. A greater proportion of plain is found in Sweden than in Norway and the whole country lies much lower. The rivers of Sweden are slower than those of Norway but most are of little use for navigation the chief of them are the Dal Torne, Notala draining Lake Wetter to the Baltic and the Gota draining Lake Wener to the Kattegat. Sweden has many lakes those in the south are among the largest in Europe and include Lakes Wener (the largest) Wetter and Malar. They are of prime importance for commerce and almost cut off the flat fertile and populous southern Sweden from the rest.

Climate. The climate of Sweden presents a contrast with that of Norway. It has greater extremes of temperature a less rainfall and possesses continental characteristics while that of Norway is oceanic. The rainfall is greatest in the south and the rains chiefly come in summer. The warming influence of the Gulf Stream Drift is not felt and Swedish harbours are ice bound in the winter months. Wheat can be grown in Southern Sweden with more certainty than in Southern Norway owing to the drier continental climate.

Products and Industries. *Agriculture* is a more important industry in Sweden than in Norway largely owing to more fertile and wider farming tracts yet the crop land is only about 6 per cent of the entire surface. Oats are the chief crop followed by rye barley potatoes and wheat. The chief agricultural region lies in the south especially the coastland bordering the Kattegat where the south west winds have easy access. The great difficulty of Swedish agriculture is the lack of labour due to the diversion of part of the limited supply to the towns. Root-crops for winter feed are important the Swedish turnip possesses frost resisting qualities.

The Pastoral Industry. Sweden is more suited to pastoral industries than to agriculture and hence this industry ranks high. Cattle are the chief animals reared but sheep horses and pigs are important. Dairying is of growing importance especially in the region facing Denmark. Göteborg is the chief butter port. The lack of labour has led to the use of mechanical appliances such as cream separators and mechanical milkers.

Lorestry. Over 90 per cent of Sweden is forested and as in Norway lumbering is one of the staple industries. Pines and firs predominate being specially suited to the climate and the sandy soil. Deciduous trees (oak and beech) grow however in Southern Sweden. The main forest region lies between 60° and 61° north latitude and 16° E. is the timber centre.

The Mining Industry. The mineral wealth of Sweden is much greater than that of Norway and mining is one of the most important departments of Swedish industry. The introduction of new

machinery, especially in the iron mines, is ensuring greater progress. Iron is the chief mineral worked, but copper, lead, silver, and zinc are also mined. Swedish iron ore is noted for its fine quality, and much of it is exported to Great Britain. It is found in Lapland, between Lake Tornea and Gellivara, and near Dannemora, north of Lake Mälär. Copper is mined at Falun, west of Gefle, silver and lead at Sala, west of Upsala, and zinc at Annaberg.

The Fishing Industry is of minor importance. The herring fisheries of Scania, in the south-west of Sweden, were important when the herring-feeding grounds were in the Baltic. The herrings, however, have for long abandoned this region for the North Sea grounds.

The Manufacturing Industries. Swedish manufactures are fast developing. The mechanical power provided by the numerous streams is utilised in the timber industries, and the iron and electro-chemical industries. Probably the future may see water-power taken advantage of for railway transport. The lack of coal is at present a great disadvantage in iron smelting, only about one-quarter of the total output is smelted in Sweden, and that mainly by charcoal. Textiles are manufactured at Norrköping, Göteborg (or Gothenburg), Stockholm, and Jönköping, iron goods at Dannemora, matches at Göteborg, and wooden shaps at Göteborg.

Communications. Transport facilities are comparatively well developed in Sweden. Roads are good and well kept. The rivers are of great importance to the timber industry, possessing space, depth, and length for floating operations. The Göta Canal system, utilising the Göta River, Lakes Wener, Wetter, and Boven, provides a direct waterway for vessels of light draught from Göteborg, on the Kattegat, to Söderköping, on the Baltic. From Stockholm a railway runs through Upsala to Gellivara, a second runs westward to Trondhjem (Norway), and a third runs from Luleå, at the head of the Gulf of Bothnia, through the Gellivara iron district to the Norwegian port of Narvik, which is ice-free throughout the year. This latter line was made mainly for the mineral traffic, iron ore can now be exported all the year round. Lines also run west from Stockholm to Christiania and Göteborg, and south through Norrköping to Karlskrona and Malmö.

Commerce. The exports of Sweden consist of timber and wooden goods, wood pulp, iron ore, dairy produce, matches, stone, zinc ore, and live animals. Forest products are the most important, then follow iron, iron ore, and butter. The chief imports are coal, metal goods and machinery, food stuffs, colonial produce (chiefly sugar and coffee), textiles, raw materials for textiles, and coke. The chief seaports are Gothenburg, Stockholm, Malmö, Halmstad, Norrköping, Helsingborg, Christianstad, Karlskrona, Söderhamn, Sundsvall, and Hernösand. Trade with Germany passes through Malmö, and that for Great Britain largely through Gothenburg. Most trade is with the United Kingdom, of other countries, Germany, Denmark, France, Russia, Norway, and the Low Countries stand high.

Trade Centres. The trade centres are mainly the ports and running centres. Stockholm (330,000) and Göteborg (11,000) are the two largest towns, and there are eight other towns with populations exceeding 20,000.

Stockholm, the capital and second port of Sweden, stands on the island between Lake Mälär and the Baltic. Owing to its numerous waterways it has

obtained the name of "the Venice of the North." Its outlook is towards Russia, and its harbour is icebound longer in the winter than that of Gothenburg, hence the latter has surpassed it in trade. Its scientific and technical institutions rank high, and its manufactures include textiles and iron.

Göteborg (or *Gothenburg*) is the most important port, and the most accessible from Great Britain, Hamburg, and France. It stands well on the Kattegat, commanding the western entrance to the Göta Canal. Göteborg faces the western world, and thus has added to its importance. It has large sawmills, match works, and textile factories, and builds wooden ships.

Malmö, on the Sound, trades largely with Denmark and Germany.

Upsala, north of Stockholm, was the old capital, and is now a noted university town.

Of other towns, *Norrköping* is the first manufacturing centre, *Helsingborg* is a channel port and export centre, *Karlskrona* is a naval and commercial centre, and *Fahlun* (copper), *Sala* (silver), *Dannemora* (iron), *Jönköping* (textiles), and *Gefle* (timber port) have been previously mentioned.

Mails are despatched to Sweden from the United Kingdom twice a day, via Holland or Belgium. There are supplementary services via Newcastle-on-Tyne and Hull. Stockholm is 1,132 miles from London. The time of transit is about two days.

For map, see NORWAY.

SWITZERLAND.—*Position, Area, and Population.* The Republic of Switzerland, situated in the middle of Europe, is one of the very few European countries which possess no seaboard. Its neighbours are France on the west, Germany on the north, Austria on the east, and Italy on the south. Protected on all sides by immense mountain barriers, the Swiss have worked out their own destiny, and are a thrifty, industrious, brave, and patriotic nation. The area of the republic, nearly 16,000 square miles (half the size of Ireland), supports a population of about 3,500,000, and as regards density of population (over 200 to the square mile), it ranks high among European countries.

Build. Switzerland is essentially a land of mountains. The Jura Mountains and the Alps occupy five-sevenths of the country, while the Swiss plateau in the north makes up the remainder. The average height of the Swiss Alps is greater than that of Snowdon, and among them are found some of the highest peaks in Europe. The Pennine, Lepontine, and Rhaetian Alps separate the republic from Italy; Monte Rosa (over 15,000 ft.), the highest Swiss peak, is in the Pennine Alps. On the west the Jura Mountains form part of the boundary, and the Tyrolean Group acts as an eastern barrier. The central system, known as the Bernese Oberland, contains the Schreckhorn, the Jungfrau, the Wetterhorn, and the Finsteraarhorn. The huge, low mass of the St. Gotthard, lying in the centre, has valleys opening from it to the four points of the compass, and from it also the main river-courses radiate. The Rhine flows northward through Lake Constance, which acts as its filter; the Rhone, rising in the great Rhone glacier, flows westward through Lake Geneva; the Rous and Aar join the Rhine (the former draining the Lakes Lucerne and Zug, and the latter with one of its tributaries draining Lakes Erienz, Thun, Neuchâtel, and Geneva); and the Reno and the Adige flow southward to the Plain of Lombardy. Famous passes over the Alps, leading from Switzerland into Italy, are the St. Gotthard

(9 935 ft) the Great St Bernard (9 110 ft) over the Einnine Alps and the Simplon (6 600 ft) over the Lepontine Alps.

Climate. The climate of Switzerland speaking generally is healthy and genial. Its winters are severe and its summers short and very hot especially in the deeper valleys. The lofty mountain peaks are always covered with snow which falls frequently on them. Rainfall is heavy over most of the surface of the republic. A succession of vegetation zones (corresponding to the various climates) is seen in ascending the Swiss mountains in summer. Low down the maize and vine flourish but disappear at heights of about 2 000 ft. cereals grow till a height of 4 000 ft is reached up to 6 000 ft summer pasture for cattle and evergreen trees are found above 6 000 ft tundra characteristics prevail passing at still greater heights into regions of eternal snow. The hot foehn wind is important in some of the Alpine valleys especially that of the Upper Rhodan as early spring sowings and the more perfect ripening of the grape depend upon it.

Productions and Industries. Notwithstanding the mountainous nature of Switzerland its small area suitable for farming its lack of navigable rivers and seaboard and the absence of coal and iron the country is in a thriving condition, and thus prosperity may largely be assigned to the thriftiness of the people their natural ability and to the excellent educational system of the country.

Agriculture. Switzerland is largely an agricultural country though more than a quarter of the land is classed as unproductive. Wheat rye oats and potatoes grown on the plateau are the chief crops but the bulk of the food crops consumed in the country is imported. The vine is cultivated in the sheltered valleys of the Rhone and Ticino and in Vaud and Neuchâtel. Silkworms are reared in the Ticino Valley and in Grisons where the mulberry tree is grown. Fruit trees are important in the deep valleys opening to the south.

The Pastoral Industry. On account of its most climate and mountainous character Switzerland is much more suited to the pastoral industry than to agriculture and this industry is of great importance. Cattle are much the most numerous of the animals reared (over 2 000 000) horses sheep pigs and goats are also fed. The higher pastures of the Alps are utilised in summer and the cattle are driven to the valleys in winter. Sheep and goats are reared chiefly on the more mountainous tracts. The remoteness of the pastures from markets causes the surplus milk to be made into cheese or condensed and canned.

Forestry. Over 20 per cent of Switzerland is forested. Beches grow on the plateau conifers on the mountains and oaks and chestnuts on the valleys opening towards Italy. The timber is used for building for fuel and for wood-carving during the long winter nights fancy articles then being made and sold to tourists during the summer.

The Mining Industry. Switzerland has little mineral wealth. Salt is worked at Bex in Canton Vaud and in the Cantons of Basel and Aargau. Iron ore in very small quantities is mined in the Jura Mountains and is known to exist near Meiringen in the upper Aar Valley.

The Manufacturing Industries. Swiss manufactures are well developed factors to their success are the skill and energy of the inhabitants the central position of the country and the excellent

water power. Coal is however lacking. Water power is used for manufacturing electric lighting and for transport purposes. Cotton is the most important manufacture and is carried on at Zurich Aargau and St Gall. The silk centres are Zurich (silk in the piece) and Basel (ribbons) and some silk weaving is still done by hand. Machine embroidery and the making of lace is important in the cantons of St Gall Appenzell and Thurgau. The keenness of foreign competition especially that of the United States has compelled the Swiss to utilise the latest machinery and to develop more their technical education in order to compete successfully in the watch trade. Among the chief centres of this industry are Le Locle Neuchâtel and Chaux-de-Fonds in Neuchâtel Geneva Basel Yverne and St Imier in Berne. Jewellery and the making of musical boxes are important in Geneva. Machinery and electrical appliances are made at Zurich and Winterthur and Basel is noted for its chemical industries which include the production of aniline dyes. The use made of water power in recent years for the extraction of aluminium from its ores and the making of calcium carbide is worthy of note. For the cheese industry Emmenthal and Gruyère are the centres. Nestlé's milk and chocolate works are at Vevey. Switzerland has earned the name of 'The Playground of Europe' and hotel keeping in summer (and to a certain extent in winter) is an important and profitable occupation. This trading on foreigners brings in some millions of pounds annually not only to the hotel keepers but to the peasants also.

Communications. Notwithstanding its mountainous character Switzerland has excellent roads and railways. Of water transport there is little because of the unsuitability of the rivers and the difficulties in the way of canal construction. Steam boats ply on the lakes for the tourist traffic. The great outlets for trade are: On the west Geneva and Basel which are joined by two lines of railway (1) through Neuchâtel and (2) through Lausanne and Berne. In the north east Zurich is the great centre a line from it through the Arlberg tunnel (6½ miles) leads to Austria and in the south the Simplon route by the Rhone Valley and Simplon tunnel (12½ miles) leads to the Toce valley and Milan (Italy) while the St Gotthard route from Zurich and Lucerne by the Reuss Valley and the St Gotthard tunnel (9½ miles) leads to the Ticino Valley and Milan.

Commerce. The chief exports are clocks and watches cotton and silk goods cheese and condensed milk elaborated food product and fancy goods. Its imports as might be expected from previous statements consist largely of food products and raw materials for its manufactures raw silk cotton and wool coal metals and minerals figure prominently. The chief trade is carried on with Germany France Italy and the United Kingdom but a considerable trade is also done with the United States.

Trading Centres. The towns of Switzerland are either railway manufacturing or tourist centres. There are three towns with populations of over 100 000 viz Zurich (181 000) Basel (181 000) and Geneva (115 000). Eight other towns have populations exceeding 20 000.

Zurich on Lake Zurich in the north is a great railway centre and the chief town of trade and education in Switzerland. It has silk and cotton mills.

Basel (Bâle), on the Rhine, stands at the head of the plain of the middle Rhine. It is a great route centre and a frontier town. Its silk manufactures are important.

Geneva, the chief town in French Switzerland, stands at the western end of Lake Geneva. It is a great railway and tourist centre, and makes clocks, watches, jewellery, and musical boxes.

Berne, the Federal capital, stands on the Aar. It is an old town, and a route and tourist centre.

Lausanne, on Lake Geneva, is a route centre and manufacturing town.

Lucerne, on Lake Lucerne, is a tourist and route centre, and the key of the St. Gotthard route.

Other towns are *Interlaken* and *Zermatt* (tourist centres), *Constance* (route centre), and *Chaux-de-Fonds*, *St. Gallen*, *Biemme*, *Neuchâtel*, and *Winterthur* (manufacturing towns).

Mails are despatched to Switzerland from the United Kingdom three times a day, and the time of transit to Berne, Geneva, and Zurich is about twenty-two hours.

SWORN BROKERS.—These are brokers who are licensed by the authorities to carry on their business after having taken an oath to fulfil their duties faithfully. At one time, there were sworn brokers in England, but now it appears that they are unknown, except on the bourses of Berlin and Vienna.

SYNDICALISM.—The French term for a trade-union is *syndicat*, so that syndicalism is properly an alternative term for trade-unionism. The economising tendency of our language, which dislikes to allot two good words to the one idea, has, however, given "syndicalism" an added meaning: it is trade-unionism with a difference. The word, which has only very recently come into vogue, and which only our very latest dictionary notices, implies the idea that social revolution must come through the direct action of labour unions. It includes, that is, the aim of the *syndicats rouges* (the red unions) which seek to bring about the abolition of the present capitalist system by a class struggle, by an application of economic force, and the aim of the *syndicats jaunes* (the yellow unions) *i.e.*, the abolition of the capitalist systems by means of constitutional and legal action, by the capture of the machine of government. In so far as Syndicalism seeks to change the method of production under capitalist direction and for capitalist profit into a method under the direction of the workers themselves and for their profit, it corresponds to what is vaguely denoted as Socialism. But it differs from Socialism in that it places no reliance on political action. It would remove the contest from the political to the economic field, and, where the Socialist would confine the revolutionary activities of the workers to the act of voting, the Syndicalist would initiate a class warfare by which the workers are to free themselves by transferring the functions and the life of the State to their own Unions. We have, in fact, a fresh emergence of the old antagonism between the Chartists of the Great Petition, who had an implicit trust in the advance of democracy, in the growing power of the multitude in matters of government, for the realising of their aspirations, and the "physical force Chartists," who distrusted the stately but very slow progress of Parliamentary action, who affirmed it to be incredible that a Socialist party could ever obtain an effective majority, and who therefore placed their hopes on the power of terrorising by eight

of numbers. To-day, indeed, physical force is replaced by economic pressure. But the line between the two is difficult to draw. For the decisive trial of strength between the employing and possessing classes on the one hand, and the employed and disinherited classes on the other, is a GENERAL STRIKE, a stoppage of the entire process of production. The greatest sufferers from the resulting dearth would be the workers and their families, so long as any semblance of law and order is maintained, those that have property rights will be enabled to procure such food supplies as are available. Unless compulsion and violence enforce the "general strike," its proclamation would be about as effective as the proclamation of a general fast—to which the general strike is bound, and indeed intended, to lead. It would seem at least as easy to obtain control over the government as to obtain an adhesion for any length of time to a general cessation of work, as things are, and as they are destined to continue during many years, the workers are stronger at the polling booth than in the labour market. The very faint response to the "call" for a general strike in June, 1912, indicates that the solidarity of the workers is yet very far from what would be needed to satisfy the aims of Syndicalism.

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The positive aims of the movement, the aims other than the negative ones of hostility to the present "exploiting" of the worker, will appear clearly on the consideration of a concrete instance. "The Railways for the Railway-men" is the catch phrase that sums up the Italian movement towards the working of the railways as a great co-operative

undertaking. In 1905 the Italian Government at a great price took over the railways. It was promised that a better and cheaper service should be provided, but as a fact the incompetence of the officials appointed not for their technical knowledge but from political considerations brought not only a growing yearly deficit in the returns, but confusion in the working. Many highly paid offices were created, thousands of clerical jobs became necessary, and the drawbacks to the State administration of a complicated industry have constantly been emphasised. An economist of the reputation of Pareto has therefore been led to the conclusion that since private ownership is a public nuisance and State ownership a veritable disaster the only practical solution is to entrust the State railways to the co-operative enterprise of the organised railway men. The workers have in anticipation of this time been perfecting their technical skill, the highest positions would be occupied by men selected by the workers from the workers not as now by political influence, but for their capacity and knowledge, the new life and higher conscience of the men would obviate the need for supervisors and examiners, the decrease of officials would increase the number of productive workers, and there would be a safer, prompter and cheaper service, the workers would all receive a minimum wage and a share in profits, and in a spirit of solidarity would work with animation and devotion because working for their association. Such is the ideal, whether it would be realised in practice is not quite certain. It may, however, be pointed out that the men who are to form the members of such a self-acting industrial mechanism must be so much better both as workers and as citizens than the average worker of to-day that any formal organisation will be altogether unnecessary. (See the Articles on COMMUNISM, CO-OPERATION and SOCIALISM.)

It will be evident from what has been said that Syndicalism is something more than a new and fancy name for what has always been more or less present since a differentiation into rich and poor began—the sense of injustice at the monopoly of the good things of life. With the sense of injustice an outburst of discontent and its resulting actions are always ready, the materials are ever present, and when the leaders and suitable times or crises have visible signs of the enemy. The plebeians of Rome made their city of tents against the patricians, though they could not answer the cunning of a senator who related how the members of the body rebelled against the belly and suffered for their rebellion on the main crises of the French Revolution the deluxe that swept away privileges and titles and monarchy were economic. In our own history there was Jack Cade a Rebellion when the English peasants dimly perceiving that the learned and rich kept them down to a life of imprisonment and drudgery, made a desperate attack on learning, and lawyers, and Lord Say was executed because, they had corrupted the youth of the land in erecting a grammar school, and whereas before our forefathers had no other books but the more and tally, they had come printing to be used. It will be proved to this fact that these men about the talk of a man and a vest, and a sack, abominable words, a no Christian can endure. There was too this thing called War. Tell us, when is the pertinent story was put. When I am felled and have span, Who was the gentleman?

The present wide-spread discontent is as universal as any of those mentioned, though its effects are not as dramatic, the contest to-day is a long and a struggle not a short exciting one. For the rapidity with which the term Syndicalism has come into vogue, and the astonishing number of the professed adherents to the doctrines summed up in the term, find their reasons, and to some extent their justification in pre-*cat-day* conditions. We have the startling contrast between enormous wealth flaunting its luxuries before the eyes of the public, advertised by a sensational press and usually divorced from social obligations traditional with the great landowners, and on the other hand degenerating and hopeless poverty. The problem of unemployment, apparently insoluble under existing circumstances, seems to point to the failure of capitalism to organise effectively the productive forces of society. A strong feeling demands that a remedy, however drastic, should be found for that most melanoly of our modern distempers, the inability of men, capable and able to work to find a worthy outlet for their energies. Something, too, must be attributed to the disappointment felt by the multitude at the comparatively small effects of political action. The extension of the franchise was to herald a time of prosperity for the labouring classes, intelligent use of the voting power would speedily bring about a more righteous distribution of the national income. These ardent hopes are still in large measure unfulfilled, the poor may not be becoming poorer, the rich are certainly growing richer. A less proportion if not actually a less amount of the wealth of the country comes to the workers.

More potent than any of these causes, however, is that which manufactures capable leaders of Labour in its resistance against organised capital. On the one hand never before were there presented to the intelligent and ambitious worker so many chances of improving his mind. The facilities for education even too lavishly provided by State and Municipality do not attract the mass, they appeal forcibly to an elect few, who make the fullest use of them. But on the other hand the legitimate outcome of the exertions is usually barred to these aspiring units of the proletarians. Places among the directors of labour are not for them. The class that till now has had the monopoly of the desirable posts in the political and social world is its monopoly threatened. A subtle pressure is put upon electing bodies more akin as a rule to plutocracy than to democracy, the man from the multitude finds one avenue to power after another closed to him, and he finds little other outlet for his natural and acquired abilities than agitation. The time calls for the man, the man is manufactured by the time. He becomes the leader of the men who otherwise would bear their not intolerable yoke with patience and without complaint. They learn that the life of leisure and luxury is led by others is an injury to them, and they seek a release.

To turn to the fundamental idea in Syndicalism is entirely admirable. It calls on workers to raise the level of their competency in reference to their industry, and to use their increased competency for the benefit of the community. The method is by which it seeks to obtain control of the life of the nation, and to make it valuable. It will produce a social perfection, it seeks to secure national industrial union in the amalgamation of trade unions into one central body, taking away all the parts of the industry and the economy.

Basel (Bâle), on the Rhine, stands at the head of the plain of the middle Rhine. It is a great route centre and a frontier town. Its silk manufactures are important.

Geneva, the chief town in French Switzerland, stands at the western end of Lake Geneva. It is a great railway and tourist centre, and makes clocks, watches, jewellery, and musical boxes.

Berne, the Federal capital, stands on the Aar. It is an old town, and a route and tourist centre.

Lausanne, on Lake Geneva, is a route centre and manufacturing town.

Lucerne, on Lake Lucerne, is a tourist and route centre, and the key of the St. Gotthard route.

Other towns are *Interlaken* and *Zermatt* (tourist centres), *Constance* (route centre), and *Chaux-de-Fonds*, *St. Gallen*, *Bienne*, *Neuchâtel*, and *Winterthur* (manufacturing towns).

Mails are despatched to Switzerland from the United Kingdom three times a day, and the time of transit to Berne, Geneva, and Zürich is about twenty-two hours.

SWORN BROKERS.—These are brokers who are licensed by the authorities to carry on their business after having taken an oath to fulfil their duties faithfully. At one time, there were sworn brokers in England, but now it appears that they are unknown, except on the bourses of Berlin and Vienna.

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country is so closely connected with others in the modern world it aims at international affiliation and co-operation

SYNDICATE.—Syndicates are very common in financial circles. A man or group of persons may have secured an option over a mine or any other form of property, or may have purchased or by other means obtained a Government or municipal concession to construct a tramway, waterworks, or any other form of public utility in some part of the world, for the execution of which it is desired to raise a large sum of capital. The acquisition of such an option or concession, the inspection of the mine or property or the preparation of estimates as to cost, etc., entail a certain amount of expense, and it is usual, therefore, in these cases to form a preliminary syndicate which puts up the necessary money to carry out this part of the work, and which,

if things appear satisfactory, then floats or arranges for the flotation of a company with the necessary capital to carry out the undertaking, or it may not require the formation of a company, but merely the issue of a loan in the form of debentures, if there is something on which these can be secured. The terms on which such a company is floated or such loan is issued are generally such as to leave a very handsome profit indeed to the members of the syndicate, who oftentimes not merely receive a large cash profit, but also considerable amounts of ordinary shares or common stock in the "watered" capital of the company they have formed. The City is full of these syndicates, some of which bring to their members fortunes, whilst in others, of course, the money that has been provided to purchase an option, to send out an engineer, or whatever the initial cost may be, is lost.

T.—This letter occurs in the following abbreviations—

| | |
|-----|----------------------|
| T | Town |
| T/O | Turnover |
| TQ | Tel Quel (??) |
| TT | Telegraphic Transfer |
| Tfr | Transfer |

TABLE A—When a company is limited by guarantee or when the company is one which is unlimited (see COMPANIES) the memorandum of association must be accompanied by special articles of association on application being made to register the company. The forms which are given in the third schedule of the Companies (Consolidation) Act 1908 may be usefully consulted on this point. But in the case of companies which are limited by shares the Act supplies in its first schedule a special table which may be adopted in whole or in part as the articles of association of the company. This table known as Table A was first put forward in the Companies Act 1862 and remained in force until 1906 when it was altered to meet modern requirements in accordance with the powers granted to the Board of Trade for that purpose by sect. 71 of the Act of 1862. The table which is now contained in the first schedule of the Act of 1908 is with very slight verbal alterations the revised table which was issued in 1905. The persons who are responsible for the drawing up of the articles of association whether they are the promoters of the company or other interested parties must make it quite clear whether they intend to adopt Table A in whole or in part and must set out the fact showing which part if any of the table is applicable to the company. If there are no special articles of association accompanying the memorandum of association then Table A applies automatically, but it is necessary that a notification of the fact that there are no articles of association registered with the memorandum should be indorsed on the memorandum itself. It is very rare however for any companies other than small ones to adopt Table A in its entirety, and it would be very unwise for a company of any dimensions to do so. For in this case it might easily find itself seriously hampered in its operations especially when there are many diverse and complicated interests involved. Even though some of the regulations of Table A are incorporated in the articles it is just as well to have the whole set out and not simply to make reference to them.

This Table A is so frequently mentioned that a very common mistake is made with respect to it. It is sometimes supposed that the table formed a part of the Companies Act 1862 and that it is therefore applicable to all companies. This is quite wrong. It had no reference at all to any companies except those which were registered without articles of association and those which specially adopted it. And the same is true of the revised table which is now printed in the Act of

1908. It can be taken or left at pleasure. It is however an excellent guide and worthy of careful consideration. The table may be altered from time to time by the Board of Trade. It is here set out in full—

TABLE A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

Preliminary

1.—In these regulations unless the context otherwise requires expressions defined in the Companies Act 1908 or any statutory modification thereof in force at the date at which these regulations become binding on the company shall have the meanings so defined and words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include females and words importing persons shall include bodies corporate.

Business

2.—The directors shall have regard to the restrictions on the commencement of business imposed by section eighty seven of the Companies Act 1908 if and so far as those restrictions are binding upon the company.

Shares

3.—Subject to the provisions if any in that behalf of the memorandum of association of the company and without prejudice to any special rights previously conferred on the holders of existing shares in the company any share in the company may be issued with such preferred deferred or other special rights or such restrictions whether in regard to dividend voting return of share capital or otherwise as the company may from time to time by special resolution determine.

4.—If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class.

5.—No share shall be offered to the public for subscription except upon the terms that the amount payable on application shall be at least five per cent. of the nominal amount of the share and the directors shall as regards any allotment of shares duly comply with such of the provisions of sections eighty five and eighty eight of the Companies (Consolidation) Act 1908 as may be applicable thereto.

6.—Every person whose name is entered as a member in the register of members shall without

payment, be entitled to a certificate under the common seal of the company specifying the share or shares held by him and the amount paid up thereon, provided that in respect of a share or shares held jointly by several persons the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

If a share certificate is defaced, lost, or destroyed, it may be renewed on payment of such fee, if any, not exceeding one shilling and on such terms, if any, as to evidence and indemnity as the directors think fit.

8.—No part of the funds of the company shall be employed in the purchase of, or in loans upon the security of, the company's shares.

Lien

9.—The company shall have a lien on every share (not being a fully-paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the company shall also have a lien on all shares (other than fully-paid shares) standing registered in the name of a single person for all moneys presently payable by him or his estate to the company, but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. The company's lien, if any, on a share shall extend to all dividends payable thereon.

10.—The company may sell, in such manner as the directors think fit, any shares on which the company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled by reason of his death or bankruptcy to the share.

11.—The proceeds of the sale shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue shall (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the share at the date of the sale. The purchaser shall be registered as the holder of the shares, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Calls on Shares

12.—The directors may from time to time make calls upon the members in respect of any moneys unpaid upon their shares, provided that no call shall exceed one-fourth of the nominal amount of the share, or be payable more than one month from the date of the call; and each member shall (subject to receipt of notice specifying the time or times of payment) pay to the company at the time or times so specified the amount called on his shares. All shares shall be jointly and severally liable to such calls in respect of any moneys unpaid thereon.

13.—If a share called in respect of which payment is due has been transferred, the person to whom it is due shall

pay interest upon the sum at the rate of five pounds per cent per annum from the day appointed for the payment thereof to the time of the actual payment, but the directors shall be at liberty to waive payment of that interest wholly or in part.

15.—The provisions of these regulations as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium as if the same had become payable by virtue of a call duly made and notified.

16.—The directors may make arrangements on the issue of shares for a difference between the holders in the amount of calls to be paid and in the times of payment.

17.—The directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of the company in general meeting, six per cent.) as may be agreed upon between the member paying the sum in advance and the directors.

Transfer and Transmission of Shares

18.—The instrument of transfer of any share in the company shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members, in respect thereof.

19.—Shares in the company shall be transferred in the following form or in any usual or common form which the creditors shall approve—

"I, A B of _____ in consideration of the sum of £ _____ paid to me by C D of _____ (hereinafter called 'the said transferee') do hereby transfer to the said transferee the share [or shares] numbered _____ in the undertaking called the _____ Company Limited, to hold unto the said transferee, his executors, administrators, and assigns, subject to the several conditions on which I held the same at the time of the execution thereof, and I, the said transferee, do hereby agree to take the said share [or shares] subject to the conditions aforesaid. As witness our hands the _____ day of _____

"Witness to the signatures of, etc."

20.—The directors may decline to register any transfer of shares, not being fully-paid shares, to a person of whom they do not approve, and may also decline to register any transfer of shares on which the company has a lien. The directors may also suspend the registration of transfers during the fourteen days immediately preceding the ordinary general meeting in each year. The directors may decline to recognise any instrument of transfer unless—

(a) a fee not exceeding two shillings and sixpence is paid to the company in respect thereof, and

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer.

21.—The executors or administrators of a deceased sole holder of a share shall be the only persons

recognised by the company as having any title to the share. In the case of a share registered in the names of two or more holders the survivor or survivor or the executors or administrators of the deceased survivor shall be the only persons recognised by the company as having any title to the share.

22—Any person becoming entitled to a share in consequence of the death or bankruptcy of a member shall, upon such evidence being produced as may from time to time be required by the directors as may be the right either to be registered as a member in respect of the share or instead of being registered him. If to make such transfer of the share as the deceased or bankrupt person could have made but the directors shall in either case have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt person before the death or bankruptcy.

23—A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

Forfeiture of Shares

24—If a member fails to pay any call or instalment of a call on the day appointed for payment thereof the directors may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

25—The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made and shall state that in the event of nonpayment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.

26—If the requirements of any such notice as aforesaid are not complied with any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the directors to that effect.

27—A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the directors think fit and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the directors think fit.

28—A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall notwithstanding remain liable to pay to the company all moneys which at the date of forfeiture were presently payable by him to the company in respect of the shares but his liability shall cease if and when the company receive payment in full of the nominal amount of the shares.

29—A statutory declaration in writing that the declarant is a director of the company and that a share in the company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share and that

declaration and the receipt of the company for the consideration if any given for the share on the sale or disposition thereof shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money if any nor shall his title to the share be affected by any irregularity or in validity in the proceedings in reference to the forfeiture sale or disposal of the share.

30—The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share be once payable at a fixed time whether on account of the amount of the share or by the way of premium if the same had been payable by virtue of a call duly made and notified.

Conversion of Shares into Stock

31—The directors may with the sanction of the company previously given in general meeting convert any paid up shares into stock and may with the like sanction reconvert any stock into paid up shares of any denomination.

32—The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the share from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit but the directors may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

33—The holders of stock shall according to the amount of the stock held by them have the same rights privileges and advantages as regards dividends voting at meetings of the company and other matters as if they held the shares from which the stock arose but no such privilege or advantage (except participation in the dividends and profits of the company) shall be conferred by any such aliquot part of stock as would not if existing in shares have conferred that privilege or advantage.

34—Such of the regulations of the company (other than those relating to share warrants) as are applicable to paid up shares shall apply to stock and the words share and shareholder therein shall include stock and stock holder.

Share Warrants

35—The company may issue share warrants and accordingly the directors may in their discretion with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share and authenticated by such evidence if any as the directors may from time to time require as to the identity of the person signing the request and on receiving the certificate if any of the share and the amount of the stamp duty on the warrant and so receive the directors may from time to time require issue under the company's seal a warrant duly stamped stating that the bearer of the warrant is entitled to the shares therein specified and may provide by coupons or otherwise for the payment of dividends or other moneys on the shares included in the warrant.

36—A share warrant shall entitle the bearer to the shares included in it and the shares shall be transferred by the delivery of the share warrant.

and the provisions of the regulations of the company with respect to transfer and transmission of shares shall not apply thereto

37—The bearer of a share warrant shall, on surrender of the warrant to the company for cancellation, and on payment of such sum as the directors may from time to time prescribe, be entitled to have his name entered as a member in the register of members in respect of the shares included in the warrant

38—The bearer of a share warrant may at any time deposit the warrant at the office of the company, and so long as the warrant remains so deposited the depositor shall have the same right of signing a requisition for calling a meeting of the company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiration of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant. Not more than one person shall be recognised as depositor of the share warrant. The company shall, on two days' written notice, return the deposited share warrant to the depositor

39—Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the company, or attend, or vote, or exercise any other privilege of a member at a meeting of the company, or be entitled to receive any notices from the company, but the bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holder of the shares included in the warrant, and he shall be a member of the company

40—The directors may from time to time make rules as to the terms on which (if they shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss, or destruction

Alteration of Capital

41—The directors may, with the sanction of an extraordinary resolution of the company, increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe

42—Subject to any direction to the contrary that may be given by the resolution sanctioning the increase of share capital, all new shares shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the directors may dispose of the same in such manner as they think most beneficial to the company. The directors may likewise so dispose of any new shares which (b, reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the directors, be conveniently offered under this article

43—The new shares shall be subject to the same provisions with reference to the payment of calls,

lien, transfer, transmission, forfeiture, and otherwise as the shares in the original share capital

44—The company may, by special resolution—

(a) Consolidate and divide its share capital into shares of larger amount than its existing shares;

(b) By sub-division of its existing shares, or any of them, divide the whole, or any part, of its share capital into shares of smaller amount than is fixed by the memorandum of association, subject, nevertheless, to the provisions of paragraph (d) of sub-section (1) of section forty-one of the Companies (Consolidation) Act, 1908

(c) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person;

(d) Reduce its share capital in any manner and with, and subject to, any incident authorised, and consent required, by law

General Meetings

45—The statutory general meeting of the company shall be held within the period required by section sixty-five of the Companies (Consolidation) Act, 1908

46—A general meeting shall be held once in every year at such time (not being more than fifteen months after the holding of the last preceding general meeting) and place as may be prescribed by the company in general meeting, or, in default, at such time in the month following that in which the anniversary of the company's incorporation occurs, and at such place as the directors shall appoint. In default of a general meeting being so held, a general meeting shall be held in the month next following, and may be convened by any two members in the same manner as nearly as possible as that in which the meetings are to be convened by the directors

47—The above-named general meetings shall be called ordinary meetings, all other general meetings shall be called extraordinary

48—The directors may, whenever they may think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by section sixty-six of the Companies (Consolidation) Act, 1908. If at any time there are not within the United Kingdom sufficient directors capable of acting to form a quorum, any director or any two members of the company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors

Proceedings at General Meetings.

49—Seven days' notice at least (exclusive of the day on which the notice is served or deemed to be served but inclusive of the day for which notice is given) specifying the place, the day, and the hour of meeting and, in the case of special business, the general nature of that business shall be given in manner hereinafter mentioned, or in such other manner, if any, as may be prescribed by the company in general meeting, to such persons as are, under the regulations of the company, entitled to receive such notice from the company; but the non-receipt of the notice by any member shall not invalidate the proceedings at any general meeting

50—All business shall be deemed special that is transacted at an extraordinary meeting, and all that

is transacted at an ordinary meeting with the exception of sanctioning a dividend the consideration of the accounts balance sheets and the ordinary report of the directors and auditors the election of directors and other officers in the place of those retiring by rotation and the fixing of the remuneration of the auditors

51—No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business save as herein otherwise provided three members personally present shall be a quorum

52—If within half an hour from the time appointed for the meeting a quorum is not present the meeting if convened upon the requisition of members shall be dissolved in any other case it shall stand adjourned to the same day in the next week at the same time and place and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum

53—The chairman if any of the board of directors shall preside as chairman at every general meeting of the company

54—If there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman the members present shall choose some one of their number to be chairman

55—The chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place When a meeting is adjourned for ten days or more notice of the adjourned meeting shall be given as in the case of an original meeting Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting

56—At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least three members and unless a poll is so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution

57—If a poll is duly demanded it shall be taken in such manner as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded

58—In the case of an equality of votes whether on a show of hands or on a poll the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote

59—A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs

Votes of Members

60—On a show of hands every member present in person shall have one vote On a poll every member shall have one vote for each share of which he is the holder

61—In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members

62—A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote whether on a show of hands or on a poll by his committee curator bonis or other person in the nature of a committee or curator bonis appointed by that court and any such committee curator bonis or other person may on a poll vote by proxy

63—No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid

64—On a poll votes may be given either personally or by proxy

65—The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised. No person shall act as a proxy unless either he is entitled on his own behalf to be present and vote at the meeting at which he acts as proxy or he has been appointed to act at that meeting as proxy for a corporation

66—The instrument appointing a proxy and the power of attorney or other authority if any under which it is signed or a notationally certified copy of that power of authority shall be deposited at the registered office of the company not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid

67—An instrument appointing a proxy may be in the following form or in any other form which the directors shall approve—

Company Limited

I of in the county of
being a member of the Company Limited
hereby appoint of as my proxy
to vote for me and on my behalf at the (ordinary
or extraordinary as the case may be) general
meeting of the company to be held on the
day of and at any adjournment thereof
Signed this day of

Directors

68—The number of the directors and the names of the first directors shall be determined in writing by a majority of the subscribers of the memorandum of association

69—The remuneration of the directors shall from time to time be determined by the company in general meeting

70—The qualification of a director shall be the holding of at least one share in the company and it shall be his duty to comply with the provisions of section seventy three of the Companies (Consolidation) Act 1908

Powers and Duties of Directors

71—The business of the company shall be managed by the directors, who may pay all expenses incurred in getting up and registering the company, and may exercise all such powers of the company as are not, by the Companies (Consolidation) Act, 1908, or any statutory modification thereof for the time being in force, or by these articles required to be exercised by the company in general meeting, subject nevertheless to any regulation of these articles, to the provisions of the said Act, and to such regulations, being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the company in general meeting, but no regulation made by the company in general meeting shall invalidate any prior act of the directors which would have been valid if that regulation had not been made.

72—The directors may from time to time appoint one or more of their body to the office of managing director or manager for such term, and at such remuneration (whether by way of salary or commission, or participation in profits or partly in one way, and partly in another) as they may think fit, and a director so appointed shall not while holding that office, be subject to retirement by rotation or taken into account in determining the rotation or retirement of directors, but his appointment shall be subject to determination *ipso facto* if he ceases for any cause to be a director, or if the company in general meeting shall resolve that his tenure of office of managing director or manager be determined.

73—The amount for the time being remaining undischarged of moneys borrowed or raised by the directors for the purposes of the company (otherwise than by the issue of share capital) shall not at any time exceed the issued share capital of the company without the sanction of the company in general meeting.

74—The directors shall duly comply with the provisions of the Companies (Consolidation) Act, 1908, or any statutory modification thereof for the time being in force and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the company, or created by it, and to keeping a register of the directors, and to sending to the Registrar of Companies an annual list of members, and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital, or conversion of shares into stock, and copies of special resolutions, and a copy of the register of directors and notifications of any changes therein.

75—The directors shall cause minutes to be made in books provided for the purpose—

(a) of all appointments of officers made by the directors,

(b) of the names of the directors present at each meeting of the directors and of any committee of the directors,

(c) of all resolutions and proceedings at all meetings of the company, and of the directors, and of committees of directors, and every director present at any meeting of directors or committee of directors shall sign his name in a book to be kept for that purpose.

The Seal

76—The seal of the company shall not be affixed to any instrument except by the authority

of a resolution of the board of directors, and in the presence of at least two directors and of the secretary or such other person as the directors may appoint for the purpose; and those two directors and secretary or other person as aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Disqualifications of Directors

77—The office of director shall be vacated, if the director—

(a) ceases to be a director by virtue of section seventy-three of the Companies (Consolidation) Act, 1908, or

(b) holds any other office of profit under the company except that of managing director or manager, or

(c) becomes bankrupt, or

(d) is found lunatic or becomes of unsound mind, or

(e) is concerned or participates in the profits of any contract with the company;

Provided however, that no director shall vacate his office by reason of his being a member of any company which he entered into contracts with or done any work for the company of which he is a director; but a director shall not vote in respect of any such contract or work, and if he does so vote his vote shall not be counted.

Rotation of Directors

78—At the last ordinary meeting of the company the whole of the directors shall retire from office and at the ordinary meeting in every subsequent year one-third of the directors for the time being, or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office.

79—The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

80—A retiring director shall be eligible for re-election.

81—The company at the general meeting at which a director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

82—If at any meeting at which an election of directors ought to take place the places of the vacating directors are not filled up, the meeting shall stand adjourned till the same day in the next week at the same time and place, and if at the adjourned meeting the places of the vacating directors are not filled up, the vacating directors, or such of them as have not had their places filled up, shall be deemed to have been re-elected at the adjourned meeting.

83—The company may from time to time in general meeting increase or reduce the number of directors, and may also determine in what rotation the increased or reduced number is to go out of office.

84—Any casual vacancy occurring in the board of directors may be filled up by the directors, but the person so chosen shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last elected a director.

85—The directors shall have power at any time, and from time to time, to appoint a person as an

such meeting. The balance-sheet shall be accompanied by a report of the directors as to the state of the company's affairs, and the amount which they recommend to be paid by way of dividend, and the amount, if any, which they propose to carry to a reserve fund

108—A copy of the balance-sheet and report shall, seven days previously to the meeting, be sent to the persons entitled to receive notices of general meetings in the manner in which notices are to be given hereunder

Audit

109—Auditors shall be appointed and their duties regulated in accordance with sections one hundred and thirteen and one hundred and fourteen of the Companies (Consolidation) Act, 1908, or any statutory modification thereof for the time being in force

Notices

110—A notice may be given by the company to any member either personally, or by sending it by post to him to his registered address, or (if he has no registered address in the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the company for the giving of notices to him

Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and unless the contrary is proved to have been effected at the time at which the letter would be delivered in the ordinary course of post

111—If a member has no registered address in the United Kingdom and has not supplied to the company an address within the United Kingdom for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the registered office of the company, shall be deemed to be duly given to him on the day on which the advertisement appears

112—A notice may be given by the company to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share

113—A notice may be given by the company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of the representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, in the United Kingdom supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred

114—Notice of every general meeting shall be given in some manner hereinafter authorised to (a) every member of the company (including bearers of share warrants), except those members who (having no registered address within the United Kingdom) have not supplied to the company an address within the United Kingdom for the giving of notices to them, and also to (b) every person entitled to a share in consequence of the death or bankruptcy of a member, who, but for his death or bankruptcy, would be entitled to receive notices of general meetings. No other persons shall be entitled to receive notices of general meetings

TABULAR BOOK-KEEPING.—Strictly speaking, any system of book-keeping in which the subsidiary books are analysed, the totals of such analysis

columns being posted to the nominal ledger accounts, is tabular, but the term is now usually applied to a special system which has come into general use for hotels and other businesses in which the majority of the customers' accounts are only of short duration, and made up of small items, the system being based on the method of analysis

In hotels, the day book is entered under each name with full particulars of everything supplied each day, the items being analysed and posted to the visitors' ledger, the left-hand columns in which are headed with the numbers of rooms and names of visitors, and the right-hand columns used for the accumulation of totals under each nominal ledger heading. The amount owing by each visitor is brought forward from day to day, so that his total indebtedness is readily ascertainable at any time, provision being made at the foot of each page for amounts paid, allowances, and balances carried forward to the next day

It is this book which has earned the system the name of tabular book-keeping, nominal ledger totals and amounts owing being both shown in tabular form

The cash book and purchases book should be in columnar form, the totals of their analysis columns providing the nominal ledger postings for the debit side of the accounts

An example of a Visitors' Ledger is shown on the next page

TACAMAHAC.—The bitter, resinous exudation of the *Iceia tacamahaca* of Brazil. Owing to its pleasing odour, it is often used as incense. It is also employed in pharmacy in the preparation of certain ointments

TACK.—In Scotch law, this is the same thing as a lease

TACKING MORTGAGES.—When there are several mortgages upon the same property, the mortgagees are secured according to their positions. But it is always possible for a later mortgagee to strengthen his position if the charges have been made without his knowledge. Thus, suppose A, B, C, and D are first, second, third, and fourth mortgagees. The property may be declining in value, and D's chance of repayment out of the security very small. But if D had no knowledge of the mortgages to B or C, he can buy up A's charge and add it to his own, and he will thus gain priority over B and C for the amount of A's mortgage as well as his own. Similarly, always presuming that there was no knowledge of the mortgage, D can buy up B and thus shut out C. This is known in law as tacking

TAL.—(See FOREIGN MONIES—CHINA, also FOREIGN WEIGHTS AND MEASURES—CHINA)

TAKE UP A BILL.—This is a phrase used in banking business to signify the payment of a bill either to a banker or to the person who is the holder of it. The term is synonymous with "retiring a bill" (*qv*)

TAKERS-IN.—This is a term used in connection with the Stock Exchange settlement. A "taker-in" is a broker who lends money against stock, i.e., takes in stock, to a broker who requires to pay for a purchase (See GIVERS ON)

TALC.—A soft, whitish mineral, consisting chiefly of silica and magnesia, with a pearly lustre and a greasy feel. It is heat-resisting and non-conducting, and is used in the manufacture of lamp-chimneys, crucibles, porcelain clay, etc., and also for filling cloth and as a lubricant. Steatite

VISITORS LEDGER
WEDNESDAY 8TH JUNE

| DEBITS | M Harris
1 | Mrs Johnson
2 | M Stone
3 | 4 | 5 | DEBITS | D By
Total | Bight
Forward | Carned
Forward |
|------------------|---------------|------------------|---------------|-----------|-----------|------------------|---------------|------------------|-------------------|
| Bal. bt Forward | £ 1 s. d. | £ 1 s. d. | £ 1 s. d. | £ 1 s. d. | £ 1 s. d. | B. bt Forward | £ 1 s. d. | £ 1 s. d. | £ 1 s. d. |
| Apartments | | | | | | Apartments | 3 11 0 | 3 | 2 14 0 |
| Attendance | 2 0 | 3 0 | 1 6 0 | | | Attendance | 6 | 1 2 0 | 8 0 |
| Baths | | | 2 0 | | | Baths | | | |
| Fire and Lights | | | | | | Fire and Lights | | | |
| Boarders | | | | | | Boarders | | | |
| Breakfast | | | | | | Breakfast | 4 6 | 2 6 | 17 |
| Luncheon | 2 6 | 2 6 | 2 0 | | | Luncheon | 4 6 | 0 6 | 4 0 |
| Dinner | | | 3 0 | | | Dinner | 12 0 | 10 0 | 1 11 0 |
| Dessert and Ice | | | | | | Dessert and Ice | | | |
| Sandwiches | | | | | | Sandwiches | | | |
| Tea and Coffee | | | | | | Tea and Coffee | | 4 0 | 4 |
| Soups | | | | | | Soups | | | |
| Servants Board | | | | | | Servants Board | | 16 | 16 |
| Wine | 4 | | 6 | | | Wine | 7 6 | 6 0 | 23 6 |
| Spirits | | | | | | Spirits | | 0 | 0 |
| Ales Stout etc | | | 6 | | | Ales Stout etc | 6 | 6 | 0 |
| Miscellaneous | 2 6 | | | | | Miscellaneous | 2 6 | 6 | 6 |
| Cigars | | | | | | Cigars | | | 2 6 |
| Stationery | | | | | | Stationery | | | |
| Newspapers | | | | | | Newspapers | | | |
| Postage | | | | | | Postage | | | |
| Paid Out | | | | | | Paid Out | | | |
| Wages | | | | | | Wages | | | |
| Carriage | | | | | | Carriage | | | |
| Bills | | | | | | Bills | | | |
| TOTAL | 19 | 19 | 3 11 6 | | | TOTAL | 3 0 6 | 6 6 6 | 8 3 |
| CREDITS | | | | | | CREDITS | | | |
| Overcharges | | | | | | Overcharges | | | |
| Cash Received | | 2 19 0 | | | | Cash Received | 2 19 0 | 15 6 | 4 14 6 |
| Ledger A/c | | | | | | Ledger A/c | | | |
| Bal. car forward | 19 0 | | 3 11 6 | | | Bal. car forward | 4 11 6 | | 4 10 6 |
| TOTAL | 19 0 | 2 19 0 | 3 11 6 | | | TOTAL | 3 0 6 | 15 6 | 8 15 0 |
| Photo Ledger A/c | | | | | | Photo Ledger A/c | | | |
| Transferred | | | | | | Transferred | | | |

(g) is a variety of tal. The mineral occurs in combination in Scotland the Pyrenees the Tyrol and the United States.

TALL—The reckoning of goods by number and not by weight.

TALL QUOTE—This is an expression which is used in contracts when grain or other produce is sold to arrive. It means that the goods as they lie are held to be the same as the sample supplied but that the buyer takes the risk of any damage which may afterwards be sustained by the produce during the voyage.

TALLOW—Animal fat consisting of stearin palmitin and olein in varying quantities. It is generally obtained from beef and mutton by melting the fat at the lowest possible temperature. Pure tallow is a stiff grease of a whitish colour. It is very liable to become rancid on exposure to the air. Adulteration is common with wool grease cotton seed and whiting being among the substances used for this purpose. Tallow is used in the manufacture of soap and candles and as a lubricant. A kind of tallow is obtained from the seeds of the tallow tree of China and Japan. It is used for candle-making in those countries. The tree is also grown in the southern States of North America.

TALLYING—The act of checking the accounts of another. One person counts whilst the other tallies or checks them.

TALLY TRAFFIC—A system of trading under which goods are supplied to customers on credit a small payment down being made in the first instance and the remainder of the price being paid by instalments. At one time this method of dealing was confined within narrow limits but in recent years it has spread in every direction and applies to all kinds of goods. (See HIRE PURCHASE.)

TALON—A certificate attached to transferable bearer bond (usually the last portion of the coupon sheet) to be exchanged for an additional series of coupons as soon as those on the coupon sheet have all been presented and paid.

The following is an example—

The A and B Bank of Egypt—Guaranteed Bonds—Talon to be exchanged for a new coupon sheet when all the coupons below have been exhausted

No 17813

TAMARIND—The fruit of the *Tamarindus indica* a tropical tree of the leguminous order growing in the East and West Indies. The preserved fruit is exported being of some medicinal value. The bark is used as a tonic and astringent.

while the wood is employed in cabinet-work. A yellow dye-stuff is obtained from the leaves.

TAMPICO FIBRE.—A fibre named after the port on the Gulf of Mexico, from which it is shipped. It is obtained from the leaves of the *Yucca baccata* of Mexico, and is used for cordage, rugs, etc.

TAN.—(See FOREIGN WEIGHTS AND MEASURES—CHINA, JAPAN.)

TANNIN.—An astringent substance found in many plants, especially in oak bark, gall-nuts, dividivi, gambier, and sumach, which are all noticed under separate headings. Their chief use is for tanning leather, but tannin has also medicinal value in cases of diarrhoea, hæmorrhage, etc.

TAPE PRICES.—By means of an ingenious telegraph instrument in stockbrokers' offices, vulgarly termed "the ticker," the current prices of various securities quoted on the Stock Exchange are at once made known in hundreds of different places. These records of prices and their fluctuations are collected and issued by the Exchange Telegraph Company, which is prohibited from supplying its service to other than members of the Stock Exchange, bankers, and newspapers. The prices collected by this means are not official, and they do not, therefore, have the same value as prices inserted in the Official List. They are useful, however, in so far as they show the fluctuations that take place in the course of the day in numerous securities, and included in them by arrangement are numerous stocks and shares which are not quoted elsewhere. These prices are published in all the newspapers, and are known as "tape prices."

TAPIOCA.—A highly nutritious, farinaceous substance, consisting of the granulated starch of a species of manioc (*q v*). It is obtained from the root of the plant, and is carefully heated on hot plates. It appears in commerce as small lumps of irregular shape. The chief supplies come from Brazil and Singapore. (See CASSAVA.)

TAR.—A dark, viscid, liquid substance, consisting of a complex mixture of hydrocarbons. It is obtained as a product of the destructive distillation of coal, wood, and shale. It has a somewhat unpleasant odour, and is usually black in colour. Coal tar (*q v*) is the source of a large number of the aniline colours. By distillation, it is separated into gases, ammoniacal liquor, light oil, dead oil, and pitch. Wood tar is largely obtained in connection with the preparation of wood charcoal by the combustion of pine trees. It is thick and strong smelling, and is useful as a source of creosote (*q v*) and pitch (*q v*), both of which are, however, also obtained from coal-tar. Tar is used as a coating for preserving iron, timber, cordage, etc. It has also valuable antiseptic properties, and is employed medicinally for bronchitis, and, in the form of an ointment, for skin diseases. Shale tar is of importance as the source of the paraffin (*q v*) of commerce.

TARE AND TRET.—Tare is an allowance for the weight of the case, cask, bag, wrapper, etc., in which goods are contained or packed, and may be calculated in different ways, according to the nature or custom of the trade. Actual, particular, or real tare, signifies that the package has been separately weighed before the goods were packed. Average tare signifies that the real tare of a few out of the whole number of packages is taken as an average for the whole. Customary tare is a fixed allowance off the gross weight of certain goods, such allowance being determined by the custom of trade, the

packages being of uniform weight and size. Estimated or computed tare explains itself. Super-tare is an extra allowance made in certain cases when the packages exceed a certain weight. Estimated or computed tare and supertare are rarely used.

Tret represents an allowance for wear, damage, waste, dust, etc., and is a term which is now almost obsolete.

TARIFF.—The word "tariff" is derived ultimately from the Arabic through the Spanish *tarifa* = a list or schedule of prices. It is used in general for any list of prices, we may, for instance, speak of the schedule of steamboat fares, or of fixed charges in hotels and the like, as tariffs. In the more restricted sense, however, it signifies the *table or list of articles on which import or export duties are levied, together with the amount of the duty levied*. And hence, in current controversy it is used as a collective term for the duties themselves, or for the law or code imposing those duties.

It was the long-continued and in some respects bitter and savage battle between Free Trade and Protection that really aroused people's interest in the tariff. The result of the conflict had been a complete reversal of our commercial system from one of narrow restriction to one of unlimited competition. But another result was that people had been taught to understand that the Budget was not simply a matter of arithmetic, but that in a thousand ways it affected the well-being of men and the strength of the country. We are to-day, indeed, prone rather to exaggerate than to under-value the effects of the tariff. The partisans of Protection announce the ruin of the country through Free Trade, the upholders of Free Trade attribute the prosperity, "increasing by leaps and bounds," of the country to the liberation of intercourse. But the industrial prosperity of a nation depends on many causes, and of these its tariff is not the most important.

However, when there is an intelligible and intelligible principle governing a tariff, its effects are bound to be better than when no definitely realised plan obtains, and taxes are imposed haphazard or at the dictation of interests, not the most weighty, but the most audible. Before the valuable report of the Select Committee on Taxation (1840) appeared, our tax system had been a mass of absurdities and inconsistencies. The only "principle" recognised was that recommended to the Irishman on his visit to Donnybrook Fair: "Wherever you see a head hit it." Whatever article enters our ports from abroad, tax it. About 1,200 articles were subject to Customs duty, and the system, or lack of system, in general and in detail, received severe criticism from the committee. Some points in the old scheme—the preference accorded to Colonial products, for example—perhaps suffered in reputation from being in company with other devices of which the evil was obvious, and were, it may be, too hastily condemned.

Here is the paragraph from the Report which describes the attitude of mind that brought about our present system: "The Tariff of the United Kingdom presents neither congruity nor unity of purpose; no general principles seem to have been applied. The Tariff often aims at incompatible ends, the duties are sometimes meant to be productive of revenue and for protective objects, which are frequently inconsistent with each other."

hence they sometimes operate to the complete exclusion of foreign produce and in a far no revenue can of course be received and sometimes when the amount of duty is inordinately high the amount of revenue becomes in consequence trifling. They do not make the receipt of the revenue the main consideration but allow that primary object of fiscal regulations to be thwarted by an attempt to protect a great variety of particular interests at the expense of the revenue and of the commercial intercourse with other countries. Whilst the Tariff has been made subordinate to many small producing interests at home by the sacrifice of revenue in order to support these interests the same principle of preference is largely applied by the various discriminatory duties to the products of our Colonies by which exclusive advantages are given to the Colonial interests at the expense of the Mother Country. We need only remark with reference to this crushing indictment that all do not allow that the revenue is the primary object of fiscal regulations (see the article on PROTECTION) and that the principle of preference even if it involves a slight loss is advocated by many (see the article on PREFERENTIAL TARIFFS).

The progressive change of which the great steps were taken in 1814 1846 1853 and 1860 has resulted in our possession of a tariff which is in general marked by four distinctive features—

1 Freedom of Raw Materials from Taxation. **Sud Gladstone** If you want to benefit the labouring classes and to do the maximum of good it is not enough to operate upon the articles consumed by them. You should rather operate on the articles that give them the maximum of employment. You should that is extend the area of trade by steadily removing restrictions. The advocate of a reform in the tariff will say that his object too is the fostering of industry rather than the cheapening of goods and in other respects a certain latitude is given to the rule. Sugar for instance which is a raw material for the confectionery and biscuit industries is subject to a moderate revenue duty first imposed in 1801 as a temporary war duty but apparently now a permanent item in our fiscal regulation. The slight duty on cocoa too may limit to some extent the chocolate making industry as the duty on tobacco may restrict the capital and labour employed in cigarette making but the intention is to tax only what is ready for consumption.

2 Freedom of the Means of Subsistence. The Government should not be an agent in reducing still further an income which is all expended on necessities. A free breakfast table is still the most popular cry and the contrast between the big loaf and the little loaf is yet the most effective Free Trade argument. The fact that the continuance of the ability to earn the big loaf may be precarious makes no very stirring appeal. The slumping duty on each quarter of imported corn and from imposed in 1802 aroused such hostility that it had to be removed the next year.

In our attempt to confine our indirect taxes to luxuries we meet indeed several difficulties. When we tax tea at ad per lb are we taxing a luxury or a necessary? and so of spirits. And if we raise the duty on a luxury how does it affect the necessities? Would not the consumer of tobacco be unwilling to limit his consumption and in order to get his "allowance" of tobacco

lessen the amount he spends on a bare substance?

3 Removal of All Duties for Protective Purposes, or for encouraging one industry or one producer whether home colonial or foreign more than another. This point is discussed in the article on PROTECTION. Here we make two suggestions. First any system of import duties must afford some slight encouragement to the home producer even if the import duties are accompanied by corresponding excise duties. It is of course obvious that the sugar tax is an artificial encouragement to the growing of sugar beet. Put the duties on wine and other alcoholic drinks though they give no encouragement to the home brewer or the whisky distiller may likewise increase the scope for employment of capital in the making of mineral drinks and the duties on dried fruits—currants figs raisins and the rest—may protect the home fruit grower but such protection is only incidental.

The second point is that if the encouragement of a particular industry is for the general good the laziest way to encourage it is by a bounty rather than by a protective duty for the bounty is paid by the whole community that benefits the protective duty taxes only the consumers of the particular product through a rise in price. Subsidies to shipping are however the only important relic of the bounty system and the bounties are given here not primarily for protection of industry but as a military exigency forced upon a nation by the hostility of its neighbours. They are provided by the necessity of keeping up a nursery of seamen for the Navy and as ~~will be the case~~ ^{will be the case}.

A country exposed to invasion by sea if it cannot otherwise have sufficient ships and sailors is its own to secure the means of ~~warfare~~ ^{warfare} in an emergency an adequate fleet is ~~quite right~~ ^{quite right} in obtaining those means even at ~~an enormous~~ ^{an enormous} sacrifice in point of ~~cheapness of transport~~ ^{cheapness of transport}. France has gone furthest in this direction and has an elaborate system of ~~training~~ ^{training} both for building and working ships. Under this system it is possible for a French vessel to ~~leave~~ ^{leave} ~~proceed~~ ^{proceed} from port to port with ~~the~~ ^{the} ~~freight~~ ^{freight} ~~charges~~ ^{charges} ~~paid~~ ^{paid} ~~by~~ ^{by} ~~the~~ ^{the} ~~owner~~ ^{owner} ~~of~~ ^{of} ~~the~~ ^{the} ~~vessel~~ ^{vessel} ~~and~~ ^{and} ~~the~~ ^{the} ~~freight~~ ^{freight} ~~charges~~ ^{charges} ~~paid~~ ^{paid} ~~by~~ ^{by} ~~the~~ ^{the} ~~owner~~ ^{owner} ~~of~~ ^{of} ~~the~~ ^{the} ~~vessel~~ ^{vessel} ~~and~~ ^{and} ~~the~~ ^{the} ~~freight~~ ^{freight} ~~charges~~ ^{charges} ~~paid~~ ^{paid} ~~by~~ ^{by} ~~the~~ ^{the} ~~owner~~ ^{owner} ~~of~~ ^{of} ~~the~~ ^{the} ~~vessel~~ ^{vessel} ~~and~~ ^{and} ~~the~~ ^{the} ~~freight~~ ^{freight} ~~charges~~ ^{charges} ~~paid~~ ^{paid} ~~by~~ ^{by} ~~the~~ ^{the} ~~owner~~ ^{owner} ~~of~~ ^{of} ~~the~~ ^{the} ~~vessel~~ ^{vessel} ~~and~~ ^{and} ~~the~~ ^{the} ~~freight~~ ^{freight} ~~charges~~ ^{charges} ~~paid~~ ^{paid} ~~by~~ ^{by} ~~the~~ ^{the} ~~owner~~ 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notice of the revenue officers Starch, at a duty of £9 10s per cwt, gave 1s 9d duty, indicating that 1 lb had arrived, and the Treasury benefited from Bruges thread, charged 15s for 12 lbs, to the extent of 1s 3d

In our wish to simplify the tariff, we have abolished *ad valorem* and adopted specific duties. The latter duties are, of course, a flagrant injustice to the consumers of inferior qualities, unless, as they are in our case, compensated by taxes such as the income tax, from which the poor are exempt. Theoretically, *ad valorem* duties are the fairer, but the difficulty of fixing value and of adjusting the tax to the value, and the presence of an arbitrary element in the imposition, have caused them to be discarded from our system. The finest tea, as well as the poorest, pays 5d a lb

We have also narrowed the basis of taxation. It has seemed good to maintain comparatively high duties on a small number of articles of universal or very general consumption, rather than to spread the burden over a large number of articles. Fewer employments are in this way interfered with, the cost of collection is lessened, and the tariff is simplified. A drawback in regard to the high duties may, however, lie in the fact that they furnish powerful motives to evasion, and the breaking of the law in one direction may lead to its being despised in all other respects. Revenue is dearly obtained when it has raised up a class of lawless characters, smugglers or illicit distillers and others.

Export duties are absent from our tariff. The Budget of 1901 imposed an export duty of a 1s per ton on coal. The tax, being on a "necessary" to foreign countries, would be borne by the foreigner, if it did limit exportation, it would tend to preserve our valuable—and exhaustible—stock of coal, it would yield as much as a penny in the pound on income tax, but these considerations did not prevent its unpopularity with the coal exporters, on the ground that it placed them at a disadvantage in foreign markets. They made their voices heard, and the tax was withdrawn in 1905, since when our coal may go abroad, whether to feed the industries of Germany or to provide Russia with the munitions of war, without restriction. [The "Tariff Reform" movement, initiated by Mr Chamberlain in 1903, is noticed under PREFERENTIAL TARIFF.]

TARTAR, CREAM OF.—A white, crystalline compound, obtained by purifying crude argol (*qv*). It has some medicinal value as an aperient, and is also used as baking powder. It is sometimes called bitartrate of potash.

TARTARIC ACID.—An important acid occurring in the grape and many other plants, and obtained chiefly from the deposit known as argol (*qv*) found in wine casks. It appears in the form of white transparent crystals easily soluble in water, and with a sour taste. It is much used in calico printing, in the manufacture of baking powder and of various effervescing drinks. Among the salts obtained from it, the chief are cream of tartar (*qv*), Rochelle salt (*qv*), and tartar emetic.

TASMANIA.—Position, Area, and Population. Tasmania, "the Switzerland and Sanatorium of the South," is a heart-shaped island, situated at the southern extremity of Australia, and separated from it by Bass Strait, about 140 miles wide. Including Hunter Islands, Flinders, King, and other islands, its total area is over 26,000 square miles, or almost equal to that of Scotland. Its population is nearly

200,000. Of the six States making up the Australian Commonwealth, Tasmania is the smallest, both in area and population.

Coast Line. The coast line is generally bold and rocky, especially in the west. Most inlets are found on the east and south coasts, but good harbours occur on all the coasts. Among these are Macquarie Harbour and Port Davey in the west, Port Dalrymple in the north, and the estuary of the Derwent in the south.

Bulld. Tasmania is essentially a dissected highland region, and though it contains no long ranges, it has fifty peaks over 2,500 ft high. Among these the chief are Cradle Mountain (5,069 ft), and Ben Lomond, almost as high. A high tableland, rising to heights of 2,000 to 3,000 ft, occupies the middle and a great portion of the western half of the island. On the east of the plateau the land is fairly level and low, and provides good grazing ground. The lakes are situated in the centre of the plateau, and of these the chief are Great Lake, about the same size as Loch Lomond in Scotland, and Lake St. Clair. From the central lakes the river Tamar flows northwards and the Derwent southwards.

Climate. The climate of Tasmania is healthy, invigorating, and equable, largely owing to its elevation, and proximity to the sea. The winters are milder than in England, and all temperate vegetables and fruits can be grown with great success. Hobart in its temperature statistics illustrates well the equability of the climate, it has an average mean temperature for spring of 52° F, for summer 62° F, for autumn 55° F, and for winter 45° F. The rainfall is abundant in many parts of the colony, and droughts are almost unknown. Westerly winds are the prevailing ones, and hence the west coast has the heaviest rainfall, varying from 80 to 110 in. In the interior the rainfall sinks to between 20 and 30 in, but rises again on the east and south coasts to between 30 and 40 in. The pure, clear atmosphere and high percentage of sunshine lend aid to agriculture and horticulture.

Products and Industries. *The Pastoral Industry* is somewhat restricted by the extent of the forests, but will doubtless soon become of increased importance. The pastoral area is now largely under artificial grasses. There is excellent pasturage for stock in the north, west, north-east, midland, and south-east districts of the State, and stock may be kept in the open throughout the winter. Sheep are the chief animals reared, and about 2,000,000 are fed, and these mainly in the midlands round Longford and Hamilton, where the rainfall is light. The breeding of stud animals—horses, cattle, and sheep—for export to other colonies is a profitable industry. Cattle, to the number of 300,000, are well distributed throughout the colony, and the dairying industry shows marked improvement in recent years, but the colony still imports much butter and cheese. Most of the factories are worked on the co-operative system.

Agriculture and Food Products. For agriculture, Tasmania possesses advantages similar to those of New Zealand. Cultivation is largely confined to the valleys, and among the crops grown, wheat, oats, root-crops and hops are the most important. Of horticultural products, the apple, pear, strawberry, raspberry, and black currant are the chief. Tasmania grows small fruits to perfection, especially in the south, and since the opening of the Australian markets to her products owing to federation, the

fruit industry has received an impetus. Tasmanian apples and pears also find an important market in Britain.

The Mining Industry. The mineral wealth is considerable but far from being fully exploited. Tin, copper, gold, silver and coal are the chief minerals worked. Tin is mined at Waratah or Mount Bischoff in the west and at Ringarooma and Brankholm in the north-east. The chief gold centre is Beaconsfield on the Tamar, and small quantities are found at Mathinna and Lefroy. Zeehan, Dundas, Mount Farrell, Roxbury and Mount Reid are the chief silver centres. Large deposits of copper exist at Mount Lyell, north-east of Macquarie Harbour, and in Lincoln County, small quantities are found. Coal is not yet mined extensively, and all that is produced is used locally. The principal mines are near Turgill, and small quantities are raised in the Mersey basin and Mount Cygnet in the south-west. Iron-ore is obtained from the Penguin mines, but the iron mines on the Blythe River near Burnie are not worked.

Forestry. A considerable portion of Tasmania is well wooded. Eucalypti are the characteristic trees; they grow to a great height—one variety, the Tolsa Blue Gum, sometimes attaining a height of 350 ft. The Huon pine, which grows in the south and south-west, gives very durable timber, and is well adapted to boat building and cabinet purposes. Blackwood, myrtle, stringy bark, and pine yield good timber, and wattai bark excellent for tanning purposes is exported.

The Manufacturing Industries. Manufactures are extensive for the size and age of the colony, and are concentrated with the utilisation of local raw material. Sawmilling, jam making, flour-milling, and tanning are all carried on. There are some manufactures in every settled district. Hobart specialises in the fruit industries and Launceston in the smelting of metals especially tin.

Communications. Hobart, in the south and Launceston in the north are the chief ports. The main railway line connects Hobart and Launceston and branches from it run (1) to Hazlewood (?) to St. Mary (3) to Latrobe and Burnie and south-westwards from Burnie through Bland, Zeehan and Strahan to Ellinger on Macquarie Harbour. The progress of railways has been slow owing to the mountainous character of the country. The Tamar is the most important river for commerce and is navigable to Launceston 40 miles from its mouth. There is a considerable coasting trade and regular lines of steamers run from Hobart and Launceston to Victoria, New South Wales, New Zealand, and the United Kingdom.

Commerce. The exports are wool, gold, tin, silver, copper, fruit and potatoes, and the imports consist of textile machinery and hardware and provisions. Most of the trade is carried on with the neighbouring colonies of Victoria and New South Wales and the United Kingdom.

Trade Centres. Hobart, Launceston and Beaconsfield are the three largest towns.

Hobart (42,000) the capital of Tasmania, is a picturesque town on the river Derwent, and is situated on rising ground at the base of Mount Wellington. It possesses a fine harbour and has some small local industries including flour-milling, jam factories, woolen and s. tanneries, and iron works. Its trade is mainly with the sea.

Launceston (25,000) at the head of the river Tamar, is a fine city and the chief town

of the north. Its carrying trade is fed by the small ports of Stanley and Burnie, and it trades largely with Melbourne.

Beaconsfield in the county of Devon lies 26 miles north-west of Launceston.

Mails are despatched every Friday via Italy, and there are supplementary services via Vanuatu and San Francisco if letters are so marked. Hobart is 13,750 miles distant from London, and the time of transit is over thirty days.

For map see AUSTRALIA.

TASTING OF WINE.—This is an order chiefly found in connection with the wine and spirit trade, by which an authority is given to the person or persons who has or have the care and custody of wines and spirits to allow the bearer to taste samples of such as are mentioned in the order. The order is issued by the owner or the seller, and it is for its value in commerce, since intending buyers are thus enabled to test the quality of the various articles kept in store.

TAXATION OF COSTS.—A solicitor is always entitled to make a special bargain with his client as to the costs which he will charge, but in the absence of any such agreement he cannot charge at an exorbitant rate. There are certain limits beyond which it is impossible to go. This is settled in case of dispute by one of the masters of the High Court. The procedure is as follows: The solicitor delivers his bill, and it is then possible for the aggrieved client to complain of excessive charges. The bill goes before the taxing master, who considers the items in detail and either allows the fee charged or deducts what he considers fair and reasonable under the circumstances. A client should always be careful in demanding taxation, for unless he succeeds in reducing the bill of cost as delivered by at least one-sixth of its total amount, he will be called upon to pay the costs of the taxation.

TAXATION OF LAND.—(See LAND TAX.)

TAXATION PRINCIPLES OF.—The State now submits not as it once did on the private income of the man, the hereditary or ordinary revenue of the Crown, but on what is very oddly still called the extraordinary revenue dependent upon taxes imposed by Parliament. The first has diminished till it is negligible. The latter has increased with the growing complexity of our social system, and the keen sense of the need for state action in the most diverse directions—crime, defence, law, criminal and civil, fire and flood, but for sanitation and all that is included in the phrase "improving the environment of its subjects." A revenue of fifty millions was less than a hundred years ago, utterly overwhelmed by our ancestors, we now live on a rise in taxes as inevitable as swallow a worm on a mate with complacency. The modern feeling seems to be that the State now tends to in those days of wide franchise of the whole nation, and for its own good, and that as long as the money raised is expended on objects in which all are interested, the amount of the rise is no matter. The whole of Government at those who call voluntarily for it.

Idea thoughts are either expressed in law or asked for it. In the latter case the whole of the economic system is in the hands of the State, and it is for its own good that it should be so.

than ever of having definite principles on which to impose this taxation

An examination of our own system of taxation will show that it conforms in great measure to the four celebrated maxims enunciated in 1776 by Adam Smith. Slowly and tentatively, and with many a relapse into evil courses, we have achieved a system which is, roughly at any rate, marked by Equality, Certainty, Economy, and Convenience.

1. By Equality is to be understood not, of course, equality of payments, but equality of sacrifice. It means apportioning the expenses of the State among its subjects, so that, as far as possible, each feels the same amount of inconvenience from his share in the payment as everyone else experiences from his. As the State ought to make no distinction of persons in their claims on it, so it must distribute its burdens in such a manner that no one in order that the weight borne by another may be alleviated, is unfairly oppressed. All should contribute as nearly as may be in proportion to their several abilities, according to their faculties. In rougher phrase, the stoutest shoulders should bear the biggest burdens. Only this is taxation made equitable or just. Our income tax, for instance, has gradually been brought into some harmony with this maxim: a person pays not in direct proportion to what he has, but in proportion to what he can afford to spend. A minimum of income, sufficient to provide a labouring family with all the requisites of life and health, has always been exempted from the tax. It has been felt that the sacrifice involved in a tax which trenched on the necessities of life is not only infinitely greater, but of quite another quality than that involved in a tax which could be saved by dispensing with luxuries. The minimum which was immune from taxation used to be small indeed, in 1798, when the tax was first exacted at the rate of 2s. in the pound, £60 only was exempted, and that at a time when the price of wheat was treble what it now is. We now have a higher standard for the smallest income which a family ought to have, though the present £160 exempted can be justified only on the grounds that from this income other demands of the State or the locality must be met. We have also the different rate for "earned" and "unearned" incomes. The man with a temporary income, which is dependent on his retention of working power, is obliged to save much more for future contingencies than the man with a permanent income, which he may spend to the last penny each year, and yet leave the source unimpaired to his descendants. In 1853, therefore, Gladstone introduced the exemption from income tax of that portion set aside for insurance, and latterly we have the different rates of assessment for "earned" and "unearned" incomes. The difference in the rates was fixed, when Mr. Asquith initiated the change in 1907, at a quarter—"earned" paid 9d. in the pound, "unearned" paid 1s.—apparently on the very whimsical ground that "one-fourth of a life-income is, on the average of all ages and states of health, a suitable proportion to be laid by as a provision for successors and for old age." A good many of us fall sadly short of this "average." Then, again, we have, since 1909, the relief granted in respect of children, which alleviates the burden where alleviation is very welcome.

Moreover, by means of the added tax—super-tax—of 6d. for every pound of income above

£3,000, we have had introduced into our income tax system the principle of graduation. This, too, must be accounted to the Budget of 1909 for righteousness, though Mill condemned the principle of progression on the plea that, being partial not equitable taxation, it was a mild form of robbery. "To tax the larger incomes at a higher percentage than the smaller is to lay a tax on industry and economy, to impose a penalty on people for having worked harder and saved more than their neighbours." But we have adopted the same principle also in the Death Duties, which rise rather steeply till the State deducts 15 per cent. from the estates of deceased millionaires, and in spite of the weighty authority quoted, it is hardly likely that we shall abandon the principle. On the contrary, its extension seems probable, especially as with the present high limit of exemption those who pay these taxes are in a decided minority; many people there are nowadays who enjoy "representation without taxation," as well as others who suffer "taxation without representation."

By reason of the super-tax at one extreme and the exemptions and abatements at the other, our Income Tax exhibits at the same time the qualities of progression and degression. It is progressive or graduated in that it deducts a higher percentage from large than from moderate incomes, it is degressive in that it relieves the smaller incomes in proportion to their smallness. With proper safeguards, the Income Tax is well fitted to be the chief instrument for raising the revenue. The seemingly insuperable difficulty in its application is that of ascertaining the real income. The too familiar buff forms, with their irritating catechism, seem to warp the consciences of men perfectly honourable in other respects. In cases of doubt, at all events, they decide in their own favour. They take the law into their own hands, and the law is so fragile that it is almost bound to become broken in the process. Till public opinion insists on the making of accurate tax returns, the Income Tax will afford a premium to ingenious dishonesty and unduly penalise the rigidly conscientious taxpayer. Still, despite the irregularities which militate against a fair assessment, there is a steady advance in the percentage of revenue raised by direct as opposed to indirect taxes, and this is as it should be. Direct taxation is disagreeable; to the taxation which we pay through the intervention of the grocer or the wine-merchant we remain passive. When everyone knows how much he really pays, taxation will be more detested than now, and such a demand for economy in the nation's business would arise that the desired end would be attained. Against this advantage must be placed the facts that evasion of the tax would much more frequently be attempted, that we regard the indirect tax with no resentment—the amount of the indirect tax they pay is evident to the taxpayers only at its first imposition—afterwards it appears part of the natural price—and that direct taxes cannot be collected in small portions according to the convenience of the payer. On the other hand, an ill-judged tax on an article of consumption is an incentive to smuggling; a tax quickly exceeds the insurance premium against the capture and forfeiture of the goods in question. Besides, extravagance on the part of the Government is more likely to exist when the burdens imposed on the taxpayer are concealed.

The sharing by the State in the unearned increment of land is no violation of the principle of equal justice. If there is a kind of income which constantly tends to increase consistently with complete passiveness on the part of the owners, then the State is justified in appropriating part at least of this increase as it arises. Since 1793 the future increment of rent had been declared liable to special taxation. Other special taxation may check accumulation and be a great hindrance to industrial development, that on unearned increment imposes no restraint on industry. The case for the tax could not be more effectively put than by Adam Smith. Both ground rents and the ordinary rent of land are a species of revenue which the owner in many cases enjoys without any care or attention of his own. Though a part of this revenue be taken from him in order to defray the expenses of the State no discouragement will thereby be given to any sort of industry. The annual produce of the land and labour of the society, the real wealth and revenue of the great body of the people might be the same after such a tax as before. Ground rents and the ordinary rent of land are therefore perhaps the species of revenue which can best bear to have a peculiar tax imposed upon them. Ground rents come in this respect a more proper subject of peculiar taxation than even the ordinary rent of land. The ordinary rent of land is in many cases given in part at least to the attention and good management of the landlord. A very heavy tax might discourage too much this attention and good management. Ground rents so far as they exceed the ordinary rent of land are altogether owing to the good government of the sovereign power which by protecting the industry either of the whole people or of the inhabitants of some particular place enables them to pay so much more than its real value for the ground which they build their houses upon. Nothing can be more reasonable than that a fund which owes its existence to the good government of the State should be taxed peculiarly or should contribute something more than the greater part of other funds towards the support of that government. It is to be noted that the rent of agricultural land what is called above the ordinary rent of land is exempted from the operation of the tax this increment is indeed in many instances a negative one. Modern transport facilities enable the whole world to compete with British wheat growers and rents have accordingly declined till say the landlords they afford no more than a fair return for capital sunk in the land for a couple of generations.

II. The best method of establishing the principle of justice in a tax system is to ensure the principle of Certainty. When it is clearly known to the tax payer and to every other person how much in what manner and at what time he has to pay, the sense of justice inherent in men will gradually bring about equity. So long as there exists anything arbitrary or uncertain in the system it is vain to attempt the redress of injustice. Certainty is therefore in a manner even more to be considered than equity. A very considerable degree of inequality it appears from the experience of all nations is not near so great an evil as a very small degree of uncertainty. In this country we have always been deeply convinced that no discretionary or arbitrary power shall be allowed to Government officials. In the eighteenth century

though many of the Continental nations were far from being oppressed in none was a man secure from the arbitrary action of the State. Foreign observers admired England not for the liberty or goodness of its government but because no action of government took place unless it had been previously authorised by law. Certainty was essential.

In our tax system two special devices mark for certainty—stoppage of income tax at the source and the imposition of specific rather than of *ad valorem* duties. Stoppage at source affords some security for fair assessments at the same time as economy in collection. For (1) the person from whom the State receives payment has no personal interest in withholding what is lawfully due. (2) the income can be better observed at the source at the point of its ultimate receipt it can only be presumed. (3) there shall be a great simplification of the transactions necessitated by the payment.

In theory specific duties based on piece or measure or—what usually obtains—weight are less equitable when compared with *ad valorem* duties by which a certain percentage of the value is demanded. But their superior certainty more than balances this objection so that in most countries they have largely superseded *ad valorem* duties though the latter are in full vigour in the United States and Russia. In our system such duties are quite exceptional tea and salt pay exactly the same tax as that sold at 1s is the lb. In spite of this palpable injustice to the consumers of the poorer qualities the frauds and complexities the various declarations of value and the intricate calculations and checkings which are incident to *ad valorem* duties incline the balance in favour of the eligibility of specific duties.

III. A tax satisfies the maxim of Economy when it both takes out and keeps out of the pockets of the people as little as possible over and above what it brings into the public treasury of the State. If the levying of a tax requires a large number of officials and much complex machinery a great portion of the produce of the tax will have been eaten up in salaries and expenses before the public services can benefit. The tax may divert to a less profitable employment a portion of the labour and capital of the community to prevent evasion certain employments may be subjected to vexatious restrictions. It would appear almost inevitable that most taxes on commodities should conflict to some extent with this maxim. Consider the tobacco tax for example. We have a multitude of customs officers not only to collect the tax but to prevent or to detect smuggling. We have an elaborate system of bonded warehouses. It is found needful to limit the landing of tobacco to certain selected ports and we are obliged to forbid the home production of tobacco except under excise taxes which again require a multitude of officers. In spite of our precautions attempts at smuggling persist and the prosecution of those unsuccessful in the attempt is another tax on the community.

But since about half our revenue is still raised by taxes on commodities it is well to consider what rules might in practice reduce the objections to such taxes. A—On the assumption that a subsistence income must be immune not necessities but luxuries are the most suitable subjects for taxation and the luxuries should be so far as possible such as are (1) in general demand so as to ensure productivity. (2) in demand because these though as permissible indulgences as any others

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taxes on the keeping of dogs or carriages. Indirect taxes are those which are demanded from one person in the expectation and intention that he shall indemnify himself at the expense of another. The tea importer is not peculiarly obnoxious to the tax assessors though he pays 5d on every lb of tea he imports. The people aimed at are the consumers of tea from whom it is supposed—and the supposition is usually quite justified—the amount paid will be recovered in the price. Indirect taxes are usually on commodities though the licence to sell alcoholic liquor creating as it does a modified monopoly is suited to the consumer. They are whether import duties or excise duties obviously unsuitable for local taxation they are difficult to estimate owing to the variations in demand which a rise of price may cause and the expenses of collection are as a rule much higher than in the case of direct taxes—the glaring instance was afforded by the stamp duties imposed on the American colonists duties which never paid their cost of collection and which incidentally lost us the American colonies. But indirect have always been more popular than direct taxes there is an ignorant impatience of direct taxation contrasted with the easy manner in which people consent to let themselves be fleeced in the price of goods. No very vivid feeling that the Government is demanding 4d every time he buys an ounce of cigarettes is present to the man who yet dislikes intensely seeing the face of the tax collector and being subjected to his peremptory demand. An Englishman detests not so much the payment as the act of paying.

TAXING MASTER—One of the masters (12) of the High Court whose business it is to tax the bills of solicitors and to fix the charges which ought to be allowed in cases of disputes as to the same between solicitor and client. (See **TAXATION OF COSTS**.)

TCHIO.—(See **LORENZ WEIGHTS AND MEASURES**—JAPAN.)

TEA—One of the most popular beverages of Great Britain with a stimulating action due to the presence of the alkaloid theine. It is obtained by infusing the dried leaves of two species of *Thea sinensis*, an evergreen shrub extensively grown in China, Japan, India and Ceylon. From its introduction into Britain in the early part of the seventeenth century until the middle of the nineteenth century tea was obtained almost exclusively from China but since that time tea planting has made rapid progress in the Indian Empire which now supplies more than one-half of the world's demand. China tea is however again being consumed on a large scale being recommended by the medical profession as more digestible. The best tea is obtained from the young leaves of the plant. These are picked by hand, roasted by exposure to the air on circular trays, roasted in iron vessels, rolled by hand and finally dried in stoves over charcoal fires. The different kinds of tea depend not only on varieties of plant soil and climate but also on the method of tea making particularly on the management of the fermentation process. The only difference in the preparation of green tea and black tea is that in the former variety the leaves are roasted as soon as gathered or after very slight exposure. The best known black teas are common pekoe, gunpowder and bobas, while hyson, imperial, and gunpowder are the chief green varieties. In Central Asia and Tibet tea is mixed with small quantities of butter and salt

and pressed into the shape of bricks and is hence known as brick tea. Arabian tea is obtained from quite a different shrub viz the *Camelia theifera*.

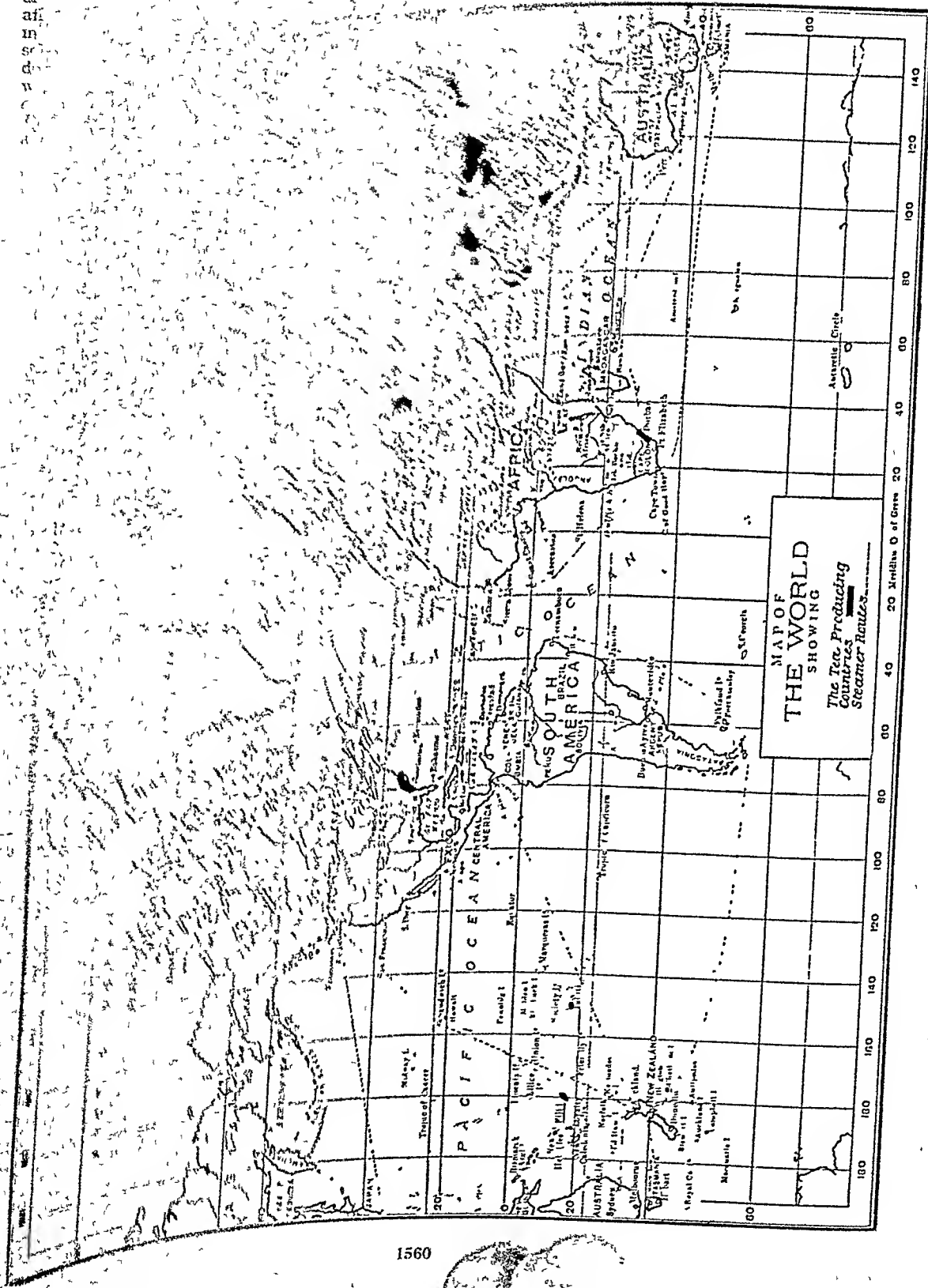
TEAK—The Malay name for the *Tectonia grandis* a tall tree of India and the East Indies noted for the hardness and durability of its wood. Teak is extensively employed for shipbuilding and in the construction of bridges railway carriages, etc. It is also used for furniture. A red dye is obtained from its leaves. Burmah is the chief exporting country.

TEASSEL.—A genus of plants of which the common variety is found in England. The best known species is the *Dipsacus fullonum* or fuller's teasel so-called because the flower heads with their prickly hooked acorns are used by cloth manufacturers for raising the nap. France and Austria are the chief exporting countries. It is also spelt teasel.

TECHNICAL EDUCATION.—An Act to facilitate the provision of technical education was passed in 1889 and amended in 1891. Both Acts have been repealed and the powers under them merged in the Education Act 1902. The substance of the repealed Acts still holds good and will serve to illuminate this article. A local authority has power to supply technical or manual instruction to such an extent and on such terms as the authority may think expedient. No religious test is to be applied to any pupil the teaching of technical subjects being held to be entirely secular and not part of the ordinary curriculum of an elementary school. Examinations may be set to test the capacity and knowledge of the pupils. The cost of technical education is to be borne partly by the local rates and partly by Government grant.

Technical instruction means instruction in the principles of science and art, applicable to industries and in the application of special branches of science and art to specific industries or employments. It does not include teaching the practice of any trade industry or employment but includes instruction in the branches of science and art in respect of which grants are made by the Department of Science and Art and any other form of instruction including modern languages and commercial and agricultural subjects which may for the time being be sanctioned by that department by a minute laid before Parliament and made on the representation of a local authority that such a form of instruction is required by the circumstances of its district. Manual instruction means instruction in the use of tools processes of agriculture modelling in clay wood and other material.

The Education Authority. The provision of scholastic tips or the payment of the fees of students ordinarily resident in the district seems an essential part of the scheme of technical instruction. The Education Act 1902 created the council of every county and of every county borough the local education authority. This authority has the exclusive power to deal with higher education of which technical education forms one class. It may do this county or itself or county borough council must consider the educational needs of their area and after consultation with the Board of Education must supply the best education and coordinate all forms of education. It may also receive from the proper managing trustees of any endowment the interest thereon to be used for the benefit of a young student equipped by his parents as a person to enter a great industry and assist in the



step day by day and year by year in a regular gradation of upward progress from his humble place in the county elementary school to the highest position which is open to ability, industry and character.

The Expenses. The local education authority may allot from a Government grant whatever sum they deem necessary for the provision of technical education; further money may be raised by means of the county rate, but the amount must not exceed 2d. in the £ of the rates, unless by consent of the Local Government Board. The local education authority must not ignore the work of existing efficient schools or colleges or technical institutes or polytechnics and must work with them, not against them. Power is further granted to bodies smaller in extent than those already named to provide technical education in their areas exactly as described above. These smaller authorities are Councils of non-county boroughs and urban district councils. The amount which these smaller bodies may raise from the local rates must not exceed 1d. in the £. The student is not required to take part in any form of religious exercise.

The Education Committee. The local education authority works by means of its education committee. This committee manages everything which relates to technical education except the raising of a rate; this can only be done by the county council, the county borough council, the borough council or the urban district council. The education committee must consist of a certain number of members of the council of a number of persons including women, not members of the council who have experience in education and are acquainted with the need of the various kinds of school in their area. Where any parish or parishes are specially served by technical education centres the committee have power to charge the expenses in whole or in part upon such parishes.

The education committee may borrow money for its purposes and may take over the management of any school, college or technical education centre. An evening school in which a great portion of technical education is taught is not an elementary school, but is classified under higher or secondary education. Generally speaking the pupils must be more than sixteen years of age. The education committee provides a body of managers for each technical school or group of such schools; they have authority to deal with such matters as relate to the management of the school and subject to such conditions and restrictions as the local education authority may determine.

The Scope of Technical Education. The Education Code says of secondary schools and therefore of technical schools that they offer to each scholar up to and beyond the age of sixteen a general education—physical, mental and moral—given through a complete graded course of instruction of wider scope and more advanced degree than that given in elementary school. But the scholar who must at the age of fifteen begin an industrial employment or enter the lower ranks of business needs a course of instruction different from that of the secondary school and a tone which is higher in standard and somewhat more special in aim than that given in the ordinary public elementary school. While he should develop more fully his study of some of the human and natural subjects of the elementary school curriculum he should also give time to the study of other subjects which he can apply to his

own practical needs. Different districts will require different technical teaching—a purely agricultural district would emphasize the special needs of agriculture which includes knowledge of the soil, the raising of food stuffs, the rearing of cattle, manure, pests and diseases of animals and plants. A great woollen centre like Bradford would require technical training in dyes, weaving, raw material, chemistry, analysis and so on.

The Subjects Taught. The following subjects will be included in the course. The progress and utility of the English language, elementary mathematics, history and geography. The technical elements which form the basis of fine workmanship, the use of machinery, the handling of design, practical working of wood, vegetable products and metal, and foreign languages. The Code makes a remark of such weight that it ought to be pondered by teachers and scholars alike. "To learn to do a thing, with mechanical accuracy and to neglect to consider why a thing is done in one way and why not in another will not encourage that adaptability and intelligent unhesitatingness of routine work which add so much to the value of an employee, and to his own power of self-development and advancement." (5)

TELEGRAPH SCHOOLS.—After experimenting between certain towns telegraph letters were introduced in June 1912 to pass from any one of the following places to any other of them under conditions stated hereafter. The towns affected are—

| | | |
|------------|-------------|-------------------|
| Aberdeen | Edinburgh | Manchester |
| Belfast | Exeter | Newcastle-on Tyne |
| Birmingham | Falmouth | Newport (Voc.) |
| Bradford | Glasgow | Norwich |
| Brighton | Holyhead | Nottingham |
| Bristol | Hull | Penzance |
| Cardiff | Isleworth | Plymouth |
| Cork | Leeds | Portsmouth |
| Devonport | Leicester | Queenstown |
| Dover | Liverpool | Sheffield |
| Dublin | London | Southampton |
| Dundee | Londonderry | Swansea |

The hours for posting letters in any of the above towns to be delivered by the first post on the following morning in any other of the said towns is often early, and the interval between the first and second delivery may be a matter of importance. To avoid this telegraph letters have been introduced. These letters can generally be posted by the first post up to midnight and will be delivered by the first post in the morning in the town to which they are addressed. An illustration taken from London will make this matter abundantly clear. It is well known that for the majority of country letters the last collection in London is 6 1/2 p.m. Posting prior to this hour secures the delivery of a letter by the first post on the following morning in the majority of towns of the United Kingdom. If a correspondent misses the post or wishes to write at a later hour he loses a portion of a day at least, and perhaps a whole day. No, by means of telegraph letters he can go to the counter of the General Post Office, King Edward Street, L.C., up to 10 p.m. on weekdays, or to the Central Telegraph Office, 10, Manby Street, F.C., up to midnight on weekdays or Sundays, and transmit a letter by telegraph which will be delivered by the first post on the following morning. The letters of course

sent by telegraph (In the provinces the same facilities are granted at the head office of any of the above-named towns up to midnight on weekdays or Sundays) These telegraph letters are charged for at the rate of 6d for thirty-six words or less, and ½d for every three words beyond the first thirty-six.

TELEGRAPH MONEY ORDER.—A method of remitting money by telegram through the Post Office (See MONEY ORDERS)

TELEGRAPH RESTANTE.—This term signifies a telegram which is to remain at a named telegraph office until it is called for

TELEGRAPH TRANSFERS.—The letters "T T", which indicate telegraphic transfer, are found against the names of certain places in the list of foreign exchange rates quoted in the Press, as in the following extract—

Foreign Exchange Rates.

| | |
|---------------|---------|
| Bombay T T | 1s 4½d |
| Calcutta T T | 1s 4½d. |
| Hong Kong T T | 1s 11½d |
| Shanghai T T | 2s 7½d |
| " 4 months | 2s 8½d |
| Singapore T T | 2s 4½d |
| Yokohama T T | 2s 0½d |
| " 4 months | 2s 0½d |

The figures indicate the amount in sterling that would be received for each unit of the currency of the place mentioned (rupees, dollars, yen, etc.) and the rate charged for the immediate remittance from one country to London by means of telegraphic advice, the banker or financial house in the town named sending a cablegram with the needful particulars to his correspondent in London to pay out a certain sum to such person as is mentioned in the cablegram. In the case of distant places, the difference between a bill with the ordinary usance of three or four months and an immediate cable remittance is considerable. As will be seen from the foregoing table, the purchaser of a cable remittance (telegraphic transfer) from Yokohama to London would have to pay 2s 0½d per yen, whereas if he bought an ordinary bill in that town payable in London four months from date, he would receive more for each yen. The difference represents interest, for obviously the Yokohama banker who sells a remittance payable four months later in London has the use of the money for that period, whereas in the case of a telegraphic transfer he does not enjoy the use of the money at all.

TELLER.—The official behind the bank counter who receives and pays money. When the bank is a large one there are numerous tellers, some to receive and others to pay out. The name was originally taller, *i.e.*, a person who tallies or checks (See TALLY)

TEL QUEL RATE.—In connection with the Foreign Exchanges the *tel quel* is a rate charged for a bill of such a currency (*e.g.*, thirty days) to which neither the long rate for three months' bills nor the short rate up to ten days applies.

TENANT.—The person who holds property, houses, or land, under an agreement or a lease, and pays rent for the same (See LANDLORD AND TENANT)

TENANT FOR LIFE.—A tenant for life, or a life tenant, is the person who has a right or interest in landed property during the continuance of his life, or during the life of some other person. In the latter case it is called an estate *pur autre vie*. If

on the death of a life tenant the property returns to the grantor of the life interest, or his heirs, the grantor is said to hold the reversion (*q.v.*), but if it does not revert to him but passes to another person, that person holds the remainder (*q.v.*), and is called the remainderman.

A life tenant is entitled to hold the deeds of the property, but he cannot give a charge thereon to any greater extent than the life interest which he possesses in the property.

By the various Settled Land Acts a tenant for life has, under certain conditions, power to sell the settled land, to exchange it for other property, to grant certain leases and to mortgage it where the money is required for enfranchisement or for equality of exchange, but money arising from the exercise of such powers must not be used for the personal benefit of the life tenant. The money, called capital money in the Act of 1882, "shall be paid either to the trustees of the settlement or into Court." The object of the Acts is to free the land settled from the fetters which would otherwise bind it, and to allow the tenant for life to deal with it as though he had the fee simple, always taking care, however, that the interests of the reversioners or remaindermen are studied and that the money arising out of any sale, etc., is kept intact.

Where a life tenant gives a banker a charge upon the land in which he holds a life interest, it is customary, seeing that the security may disappear at any moment by the death of the tenant, to require a policy upon his life to be assigned to the bank, for an amount sufficient to cover the amount of the advance. Of course the banker must see that the rents from the property are sufficient, in the event of the borrower's failure, to pay both the interest upon the debt and the premiums upon the life policy. It is also the business of the banker to see that the premiums are duly paid (See LIFE ESTATE)

TENANT IN FEE SIMPLE.—The person who has the highest estate in land which the law of the country will recognise and who is, for all practical purposes (though not in theory) the absolute owner (See FEE SIMPLE)

TENANT IN TAIL.—The person who is the holder of an estate for the time being, but which cannot be disposed of by him or even dealt with, except in so far as is permitted by the various Settled Land Acts. Upon the decease of a tenant in tail the property devolves in the manner provided for by the entail (See FEE TAIL)

TENANTS AND THE LAW OF BANKRUPTCY.—(See BANKRUPTCY or TENANT)

TENANTS IN COMMON.—Property may be conveyed to an individual or to a number of individuals, and if these hold together they are either joint tenants (*q.v.*) or tenants in common. Tenants in common have what is called a unity of possession in the property, but each has a separate and distinct share which can be disposed of by will, or inherited by the deceased's representatives. There is no right of survivorship, that is, when one dies his share does not pass to the survivor.

Tenants in common may have either equal or unequal shares, and one tenant may convey his share to another tenant. It is not necessary that their interests should all be created at the same time or under the same instrument.

If a property is devised to several persons without saying whether they are to be tenants in common or joint tenants, they are regarded as joint tenants

The points of difference between joint tenants and tenants in common will be clearly seen by comparing the former article with the present.

Where deeds are deposited as security for a loan by tenants in common the document creating the charge should be signed by all the tenants and it is advisable for a legal mortgage to be taken.

TENDER.—There are two senses in which this term is used.

(1) A tender is an offer generally in writing to supply certain commodities upon terms that are specified. It is the first step in the formation of a contract and constitutes the offer. An advertisement circular or other intimation that tenders are required for the carrying out of certain work or the purchase of certain goods is nothing more than an invitation to offer and has no legal effect. Until the tender is accepted there is no binding contract. There is no *prima facie* undertaking that the best or any offer will be accepted by the person who has invited the tenders.

(2) A tender is also an offer to perform a certain act or to pay a sum of money in discharge of an obligation.

Tender is attempted performance and the word is applied to attempted performances of two kinds dissimilar in their results. It is applied to a performance of a promise to do something and of a promise to pay something. In each case the performance is frustrated by the act of the party for whose benefit it is to take place.

With respect to tender in the case of a contract for the sale of goods section 57 of the Act of 1893 is as follows:—

When the seller is ready and willing to deliver the goods and requests the buyer to take delivery and the buyer does not within a reasonable time after such request take delivery of the goods he is liable to the seller for any loss occasioned by his neglect or refusal to take delivery and also for a reasonable charge for the care and custody of the goods. Provided that nothing in this section shall affect the rights of the seller where the neglect or refusal of the buyer to take delivery amounts to a repudiation of the contract.

The effect of such a tender of performance is to discharge the vendor from all liability under the contract and he can either maintain or successfully defend an action for breach of the contract.

Tender operates as a performance of a contract if made strictly in accordance with the terms of the contract but refused by the promisee. It has the effect unless it is a tender of money of discharging the promisor from all liability under the contract. A tender of money however does not extinguish the debt but the debtor should if the money is not accepted and an action is commenced against him bring the amount into court and plead the tender. If the creditor then proceeds with his action and recovers no more than the amount tendered he will have to pay the defendant's costs of the action. To constitute a good tender the full amount must be actually produced unless the creditor dispenses with the production and offered unconditionally. It must be the current coin of the realm (See *LEGAL TENDER*). No change can be demanded. A tender in country bank notes or by cheque is good if the only objection made by the creditor is that the amount is insufficient. In such a case it is presumed that the actual production of the money

which would constitute a legal tender has been dispensed with. A legal tender should be made by the debtor to the creditor but either party may act through a duly authorised agent.

TENEMENT.—Anything that is held or is capable of being held by a tenant whether a dwelling or landed property in general.

FACTORY FACTORY.—A tenement factory is defined by the Factory and Workshop Act 1901 to be a factory where mechanical power is supplied to different parts of the same building or used by different persons for the purposes of any manufacturing process or handicraft in such manner that those parts constitute in law separate factories. From this it will be seen that so far as regards the supply of motive power a tenement factory is not complete in itself but obtains its motive power from another part of the building. For the purpose of the provisions with regard to tenement factories all buildings within the same close or curtilage are treated as one building. But where each owner provides his own mechanical power two factories though in the same building are not tenement factories.

In the case of tenement factories it is the owner whether he is one of the occupiers or not who is liable for the observance and punishable for the non observance of the provisions of the Factory and Workshops Act with regard to—

(1) The cleanliness, freedom from effluvia, overcrowding and ventilation of factories including so far as they relate to any engine-house passage or staircase or to any room which is let to more than one tenant the provisions with respect to time-washing and washing of the interior of a factory. (2) The fencing of machinery and penal compensation for neglect to fence machinery in a factory except so far as relates to such parts of the machinery as are supplied by the occupier. (3) The notices to be affixed in a factory with respect to the period of employment times for meals and system of employment of children. (4) The prevention of the inhalation of dust gas vapour or other impurity so far as that provision requires the supply of pipes or other contrivances necessary for working the fan or other means for that purpose and (5) the affixing of an abstract of the Factory and Workshop Act and the notices of the name and address of the inspector of the certifying surgeon for the district of the clock (if any) by which the period of employment and times for meal in the factory or workshop are regulated.

But any occupier may affix in his own tenement the notice with respect to the period of employment times for meals and system of employment of children and thereupon that notice will with respect to persons employed by that occupier have effect in substitution for the corresponding notice affixed by the owner.

Similarly the provisions of the Act with regard to dangerous ways works plant and machinery and to unhealthy or dangerous factories or workshops are enforceable in the case of tenement factories against the owner in all respects as if the owner was substituted for the occupier.

In the case of any tenement factory or class of tenement factories used wholly or partly for the weaving of cotton cloth the owner may be substituted for the occupier in respect of certain requirements with regard to ventilation.

Where grinding is carried on in a tenement factory not being a textile factory the owner of

the factory is responsible for the observance of the regulations contained in the third schedule of the Act, viz—

(1) The providing and keeping in proper repair boards to fence the shafting and pulleys (locally known as drum-boards)

(2) Fixing hand-rails over the drums and keeping them in proper repair

(3) Providing belt-guards (locally known as "scotch-men"), and keeping them in proper repair.

(4) Every floor constructed after December 31st, 1895, must be constructed so as to facilitate the removal of slush, and all necessary shoots, pits, and other conveniences must be provided for facilitating such removal

(5) Every grinding room or hull established after December 31st, 1895, must be so constructed that for the purpose of light grinding there will be a clear space of 3 ft at least between each pair of troughs, and for the purpose of heavy grinding there must be a clear space of 4 ft at least between each pair of troughs and 6 ft at least in front of each trough

(6) The sides of all drums in every grinding room or hull must be closely fenced

(7) Except in pursuance of a special exemption granted by the Secretary of State, a grindstone must not be run before any fireplace, or in front of another grindstone

(8) A grindstone erected after December 31st, 1895, must not be run before any door or other entrance

In every tenement factory where grinding of cutlery is carried on, the owner of the factory must provide at all times instantaneous communication between each of the rooms in which the work is carried on, and both the engine-room and boiler-house

TENURE.—The name used to indicate the conditions under which land or other property is held by the person or persons who occupy and use it. The most common tenures are freehold, copyhold, and leasehold (*qv*)

TERM.—A period of time. It is most commonly used as the equivalent expression for the number of years or the period for which a lease or other interest in land is granted

TERM OF A BILL.—The time for which a bill of exchange is drawn and during which it is current, e.g., one month after sight, three months after date

TERMINABLE ANNUITIES.—These are annuities granted by the Government and also by certain insurance offices for a period of years or for the life of an individual in return for a present payment of money. The rate is fixed by actuarial calculation, based upon the tables of the expectation of life (*qv*)

TERRA-COTTA.—A superior variety of brick-work, usually consisting of a mixture of potter's clay and fine colourless sand made into a paste, moulded, dried, and baked or hardened in the fire. Terra-cotta is close and smooth in texture, and is largely used for statuary and other decorative purposes. It has recently come into great favour, having been used for the underground stations of London, and for facing public buildings, such as the new Natural History Museum. There are large factories in London and in various parts of Germany

THEFT.—(See LARCENY)

THIRD CLASS PAPER.—(See FIRST CLASS PAPER, SECOND CLASS PAPER)

THIRD OF EXCHANGE.—(See FOREIGN BILL)

THIRD PARTY PROCEDURE.—This is an

expression which needs but the slightest mention here, as it concerns legal practice. When an action is started between parties, it sometimes happens that some other person than the original plaintiff and defendant is under a certain liability in respect of the matter in question, and that if such person is brought into the suit litigation and the consequent expenses at a future date may be avoided. If the proper steps are taken, in accordance with the Rules of the High Court or the County Court, this can be effected

THIRD PARTY RISKS INSURANCE.—(See INDemnITY INSURANCE)

THREAD.—Sewing thread consists of two or more yarns twisted together. It may be of cotton, flax, or silk. Cotton thread is made at Manchester and Glasgow, but chiefly at Paisley, which supplies half the requirements of the world. Silk thread is often called twist. Linen thread is a strong variety for sewing on boot buttons, etc., when patent fasteners are not used

THREADNEEDLE STREET.—Writers of the money article sometimes refer to the policy of Threadneedle Street in raising or lowering rates, etc. This has reference to the Bank of England, which fronts on the thoroughfare named. Although the Bank of England has by no means a monopoly of lending money in the shape of discounting bills or making advances on Stock Exchange securities, Lombard Street, which term is used to cover the various bill brokers and banking institutions, being an important competitor, the Bank of England does more or less control the policy of the money market, and on this account the action of "Threadneedle Street" is of the utmost importance

THREATENING LETTERS.—Every person is guilty of felony (*qv*) who (1) maliciously sends or delivers, or directly or indirectly causes to be received, knowing the contents thereof, any letter or writing threatening to kill any person, (2) sends or delivers, or directly or indirectly causes to be received, knowing the contents thereof, any letter or writing threatening to burn or destroy any house or other building, or a rick or stack, or any grain or agricultural produce in or under a building, or any shop, or to maim, or wound any cattle, or (3) sends or delivers, or directly or indirectly causes to be received, knowing the contents thereof, any letter or writing demanding of any person with menaces, and without reasonable and probable cause, any property, chattel, money, valuable security, or other valuable thing. For (1) and (2) the maximum penalty is ten years' penal servitude, and for (3) penal servitude for life (See BLACKMAIL)

THYME.—A shrub cultivated for its aromatic properties. The two chief species are the common thyme and the lemon thyme, both of which are used in cookery. Thymol is a crystalline solid prepared from oil of thyme. It is valued in surgery as a powerful antiseptic

TIBET.—(See CHINA)

TICKET DAY.—This is sometimes known as "Name Day," and, as is described under the heading of SETTLEMENT, STOCK EXCHANGE, is the last day but one of the account or settlement—the day on which ultimate buyers pass tickets or names to their immediate sellers, who again pass them on to the individuals from whom they bought, until such ticket reaches the original seller. There is, perhaps, a technical distinction, in that "tickets" represent bearer bonds or warrants, whereas

names represent registered stock and the tickets for the latter give details of the name address etc. of the transferee.

TIGHT—This word is sometimes used in connection with the money market to indicate that money is dear and cannot be easily borrowed (See DEAR MONEY)

TIMBER—The chief varieties are noticed under separate headings

TIME BARGAIN—This is a contract to buy or to sell merchandise or stocks at a certain future time but at a price which is arranged at the time when the bargain is made. Thus, A agrees in December to purchase certain stock for B in January, and the price is fixed in December. This is a time bargain and B must deliver in January. There is no doubt that transactions of this character are carried out with the hope of future advantage on one side or the other. A believes that the price will rise and B trusts that it will fall. If subsequently to the making of the bargain in December but before the time for settlement comes round A and B mutually agree to settle the matter by the payment on one side or the other of the difference between the price in December and that in January, this is a perfectly legal transaction. But if the agreement to pay the difference is made at the same time as the agreement the transaction is void as being a gaming one.

TIME COMPUTATION OF—The variation of time in different parts of the world depends upon longitude. As the earth revolves on its axis at the rate of one degree in every four minutes or fifteen degrees per hour there is a difference of four minutes for every degree of longitude or one hour for fifteen degrees. Places east of Greenwich up to 180 are in advance of Greenwich time; those to the west are behind it. It thus follows that places which lie close together but on different sides of that imaginary line of 180 of longitude differ normally by a whole day in time.

The following table shows the real time at the principal cities of the world calculated to the nearest minute when it is noon at Greenwich—

| | |
|-----------------------|------------|
| Adelaide | 9 14 p.m. |
| Aden | 3 0 p.m. |
| Alexandria | 1 59 p.m. |
| Amsterdam | 12 20 p.m. |
| Athens | 1 35 p.m. |
| Auckland | 11 39 p.m. |
| Berlin | 12 54 p.m. |
| Bermuda | 7 41 a.m. |
| Berne | 12 30 p.m. |
| Bombay | 4 51 p.m. |
| Brisbane | 10 12 p.m. |
| Brussels | 12 17 p.m. |
| Buda Pesth | 1 16 p.m. |
| Buenos Ayres | 8 7 a.m. |
| Cairo | 2 5 p.m. |
| Calcutta | 5 43 p.m. |
| Cape Town | 1 14 p.m. |
| Chilago | 6 10 a.m. |
| Christiania | 12 43 p.m. |
| Constantinople | 1 36 p.m. |
| Copenhagen | 12 50 p.m. |
| Dublin | 11 33 a.m. |
| Edinburgh | 11 47 a.m. |
| Florence | 12 45 p.m. |
| Geneva | 11 39 a.m. |
| Hankow | 11 43 a.m. |
| Havana | 6 31 a.m. |
| Hawaii (Sandwich Is.) | 1 29 a.m. |

| | |
|--------------------------|------------|
| Hobart | 9 49 p.m. |
| Hong Kong | 7 36 p.m. |
| Jerusalem | 9 21 p.m. |
| Lisbon | 11 23 a.m. |
| Madras | 5 1 p.m. |
| Madri | 11 45 a.m. |
| Malta | 12 58 p.m. |
| Melbourne | 9 40 p.m. |
| Monte Video | 8 15 a.m. |
| Mo cow | 2 30 p.m. |
| Natal | 2 4 p.m. |
| New Orleans | 6 0 a.m. |
| New York | 7 4 a.m. |
| Odessa | 9 2 p.m. |
| Paris | 12 9 p.m. |
| Pekin | 7 46 p.m. |
| Perth (West Australia) | 7 43 p.m. |
| Philadelphia | 6 9 a.m. |
| Quebec | 7 15 a.m. |
| Rio de Janeiro | 9 4 a.m. |
| Rome | 12 50 p.m. |
| San Francisco | 3 57 a.m. |
| St. Johns (Newfoundland) | 8 9 a.m. |
| St. Petersburg | 9 1 p.m. |
| Shanghai | 8 5 p.m. |
| Singapore | 6 55 p.m. |
| Stockholm | 1 12 p.m. |
| Suez | 2 10 p.m. |
| Sydney | 10 5 p.m. |
| Tokio | 9 19 p.m. |
| Toronto | 6 49 a.m. |
| Valparaiso | 7 14 a.m. |
| Vancouver | 3 38 a.m. |
| Vienna | 1 5 p.m. |
| Wellington | 11 38 p.m. |

For general purposes however there has been adopted practically throughout the civilised world a standard time which is calculated from Greenwich and this now rules throughout certain districts or zones—the necessities of railways having rendered such a system imperative.

Greenwich time is now used in England and Scotland Belgium France Holland Portugal and Spain. Also in Gibraltar (Although Ireland still maintains Dublin time which is twenty five minutes behind Greenwich time it is likely to make a change in the near future so that one time may prevail throughout the United Kingdom.)

Mid-Lux time which is one hour in advance of Greenwich time rules in Austria Hungary Denmark Germany Italy Switzerland Norway and Sweden. In Italy time is reckoned from 1 to 24 o'clock.

Eastern Europe time which is two hours in advance of Greenwich time rules in Bulgaria Greece Montenegro Rumania Russia Servia and Turkey. This is also the time which governs Egypt and South Africa.

Proceeding eastward the standard time recognised is as follows—

| | Hours in advance of Greenwich |
|--|-------------------------------|
| Mauritius | 4 |
| India | 5½ |
| Burma | 6½ |
| Straits Settlements | 7 |
| Hong Kong Borneo and West Australia | 8 |
| Japan | 9 |
| South Australia | 9½ |
| Other Divisions of the Australian Commonwealth | 10 |
| New Zealand | 11½ |

It is better that the bank's name should appear in the policy.

In the case of leasehold property, does the lease stipulate that the premises must be insured in a particular company, and in the joint names of the lessor and lessee?

CHARGE—

Detail all, or at least the principal, deeds upon the memorandum of deposit, or the banker's legal mortgage

If the document is signed in front of the schedule, it should also be signed after the schedule

In the case of leasehold property which is to be assigned or demised to the bank as security, it should be ascertained if the licence, or consent in writing, of the lessor is necessary upon the occasion of an assignment or demise. If the licence is required, it should be obtained when a legal mortgage is taken, but such a stipulation may not apply if the deeds are deposited merely with a memorandum of deposit

It must be stamped within thirty days (See EQUITABLE MORTGAGE)

If the charge to the bank is a second mortgage, notice should be given to the first mortgagee

If the charge is given by a company, has it been registered? (See REGISTRATION OF MORTGAGES AND CHARGES) And has the company power to borrow and to give the charge?

TO.—(See FOREIGN WEIGHTS AND MEASURES—JAPAN)

TOBACCO.—The tobacco plant belongs to the genus *Nicotiana*, and is remarkable for its straight stems and broad leaves. The *Nicotiana glauca* is the species grown in Europe, and from this the tobacco of Latakia and Turkey is derived, which is used in the manufacture of the cigarettes made in Cairo and Alexandria, and hence known as Egyptian. Of the other European countries, Holland is the chief grower, being able to send exports to England besides supplying its own needs. Tobacco is grown most extensively in the United States, where South Carolina, Virginia, and Kentucky are the principal provinces engaged in its cultivation. The American variety is the *Nicotiana tabacum*, which provides a heavier kind of tobacco than the other species mentioned. The most highly-prized cigars come from Havana, in Cuba, and are manufactured from the tobacco grown in the district, but Havana boxes are frequently filled with cigars of inferior brands. Cheroots come from the Philippine Islands, principally from Manila, but the supply from this source is decreasing. Mexican and Brazilian cigars have lately come into favour, as well as a cheaper kind made in India. Among other countries now making rapid progress in tobacco-growing are Australia, Japan, and the Congo Free State. The highly esteemed Persian variety is obtained from the species known as *Nicotiana persica*. The properties of tobacco, especially those of the volatile oil and alkaloid nicotine it contains, vary according to the climate, soil, and conditions of cultivation. The growing requires very careful and skilled attention, as it is necessary that the leaves receive all the nourishment of the plant. In due time, these are gathered and dried. The latter process varies in different parts of the world, but generally speaking, the leaves are allowed to lie in heaps, covered with matting, for some weeks. During this period of "sweating," they are turned every day. After the process of fermentation, the leaves are

sorted, pressed, and packed in barrels for exportation. The subsequent treatment varies according to the sort of tobacco required. Shag is prepared by cutting the moistened and compressed leaves into fine shreds. When the leaves are moistened with syrup and pressed into cakes, the variety known as Cavendish is obtained, while twist tobacco is made by twisting the fermented leaves, either by hand or by machinery, into the form of a rope. In manufacturing cigars, the midribs of the dried leaves are first removed, the leaves being then moistened with water or a solution of nitre, and rolled round smaller fragments into cylindrical form. Cigars are usually covered with Sumatran tobacco leaves. Cigarettes are made of various kinds of tobacco, and are frequently scented or adulterated with opium or glycerine. Snuff (*qv*) is made chiefly of the midribs of tobacco leaves, which, after fermentation, have been dried, powdered, and flavoured. Great Britain's supplies of tobacco are drawn chiefly from America, the Levant, India, Sumatra, and the Philippine Islands.

TOKAY.—A Hungarian white liqueur wine of choice quality, named after the town where it is produced. The finest variety is known as Tokay essence, the next in quality being the Ausbruch. These wines are of excellent bouquet and luscious flavour, but owing to the limited supply, they are difficult to obtain outside Hungary; and the article offered in most European markets is either largely adulterated, or else a French or German wine, manufactured in imitation of the genuine product.

TOKEN MONEY.—Whenever coins are in circulation which have a market value less than that which they denote, they are said to be token money. Such coins are only legal tender (*qv*) to a certain amount, the exact amount being invariably fixed by statute. Thus, the standard coinage in Great Britain is of gold, and the silver and bronze coins are simply token money, i.e., the value of the metal contained in them is less than the value attached to the coins by law. Owing to the fall in value of silver, the Government makes a very considerable profit out of the coinage of this metal. Silver is now only legal tender to the extent of forty shillings, and bronze to the extent of one shilling.

TOLL.—An authorised charge made by a person or by a corporation in connection with work done or for accommodation provided. Thus, tolls are charged by dock and canal companies upon the traffic conveyed by them. Such charges are payable by the owners of the goods, and not by the owners of the vessels carrying them.

TOLU.—(See BALSAM)

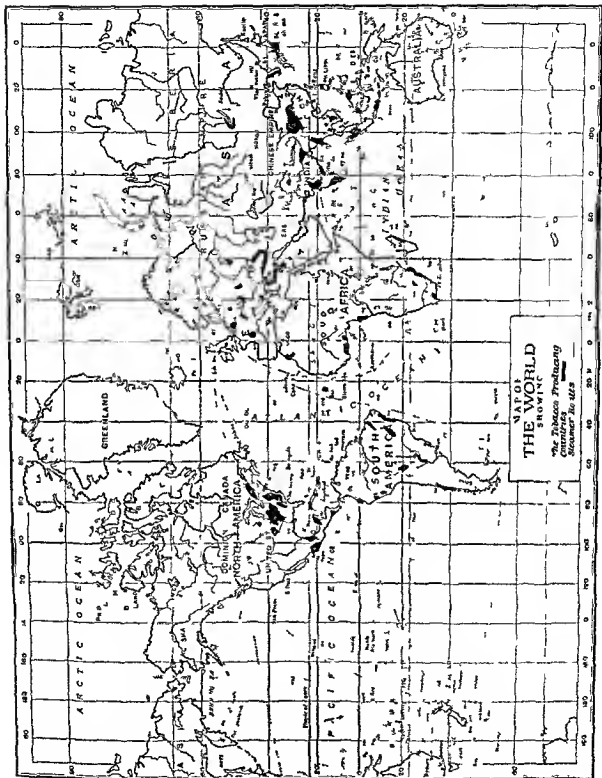
TOMAN.—(See FOREIGN MONIES—PERSIA)

TOMATO.—The pulpy fruit of the *Lycopersicon esculentum*, a native of South America, but now largely cultivated in Britain and in other European countries, especially in Italy. The home product is generally grown under glass, and is more delicate than the imported variety, which comes in an unripe condition, and is more fitted for pickling and for cooking purposes than for eating raw as a salad.

TOMM.—(See FOREIGN WEIGHTS AND MEASURES—DENMARK, SWEDEN)

TON.—(See FOREIGN WEIGHTS AND MEASURES—CHINA)

TON—An imperial weight of 20 cwt. of 112 lbs., or 2,240 lbs. avoirdupois. In the United States and Canada a ton is equivalent to 2,000 lbs. only.



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TOPAZ.—A mineral consisting chiefly of silica, alumina, and a small quantity of oxide of iron. It is found in Scotland, Ireland, Cornwall, and Saxony, principally in association with tin, and is common in other parts of both the Old and the New Worlds. In colour it is usually yellow, but pink, blue, and green varieties also occur. The transparent stones are used as gems, and the topazes most prized by jewellers come from Brazil and Siberia. The Oriental topaz is a yellow variety of corundum (*qv*), scarcely differing, except in colour, from the ruby and the sapphire (*qv*). The Grampians yield a yellow quartz much employed for the manufacture of imitation topazes.

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Good illustrations of torts are assault, libel and slander, deceit, trespass, conversion of goods, false imprisonment, malicious prosecution, nuisance, and negligence. As is well known, assault and libel may also give rise to criminal prosecutions. The remedy supplied is generally damages, though in the case of a nuisance an order may be made to abate the same. The defences which may be set up are various, such as inevitable accident, licence

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Unlike the case of contract, the action provided in the case of a tort dies with either of the parties, i.e., no proceedings can be taken if either the plaintiff or the defendant dies before the trial of the case. There are now certain statutory exceptions to this rule, and these are referred to in the article *ACTIO PERSONALIS MORITUR CUM PERSONA*.

When a public authority is defendant, by reason of an Act passed in 1893 proceedings must be commenced within six months from the time of the arising of the cause of action. In other civil actions founded in tort, actions for slander must be brought within two years, actions for injuries to the person (including imprisonment) within four years, and actions for all other wrongs (including libel) within six years.

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TOWN COUNCIL.—Towns which are of ancient origin were wont to derive their authority for local government either from a royal charter granted by the King, or, if their charter was lost, they claimed to govern by prescription, or what their fathers had stated as being the customary method handed down from father to son. Other ancient towns governed themselves under a special Act of Parliament passed for their special benefit. Finally, towns outside the metropolis are now generally governed by the Municipal Corporations Act, 1882. Those ancient towns which are governed by charter have, as a rule, some special privileges granted to them by the King, who rarely used the royal prerogative without getting some advantage in men or money in return.

The ancient corporation of the City of London is a case in point; it possesses its charters of privilege, its special Acts of Parliament, and its ancient rights and privileges above any other city or town in the United Kingdom. It has withstood kings, nobles, and Parliaments, or it has stood by them, in almost

every case it has been strong enough to exact some benefit in return for its citizens. The effect of the various charters and special statutes applying to different towns when the same crime to be examined by a Royal Commission went to prove that there was no common rule or common policy or unity of management subsisting between the various town councils. What might be good law in London was sacrilege in York. In 1835 there fore an attempt was made to put local government upon a regular and unified basis so that the town law of Bristol might square with the town law of Warwick.

The Act of 1835 has now merged into a later statute but there is much in it which is worthy of analysis in this article. It is entitled "An Act to provide for the regulation of municipal corporations in England and Wales." Divers bodies corporate at sundry times have been constituted within the cities, towns and boroughs of England and Wales so the statute begins to the intent that the same might for ever be and remain well and quietly governed. Now there must be an alteration all such places must conform to the new statute and such of their laws, statutes, usage, royal and other charters, grants and letters patent which are inconsistent with or contrary to the statute must be repealed and annulled. Then follows a long list of boroughs which are to have a commission of the peace (a bench of borough magistrates) beginning with Aberystwith and ending with York. Next follows a list of towns which are not to have a commission of the peace unless on petition and grant by the Crown. Arundel is the first of these and Wycombe the last. The corporate titles of these various boroughs were rarely exactly the same, the first three in the schedule will illustrate the point. Mayor and burgesses of the town borough and liberty of Aberystwith. Mayor, bailiffs and burgesses of the borough of Abingdon and the Mayor, aldermen and burgesses of the borough and parish of Barnstaple in the county of Devon.

Corruption. The funds of many of these unformed corporations were not used for the benefit of all the inhabitants but in divers cities, towns and boroughs the common lands and public stock of such cities, towns and boroughs and the rents and profits thereof have been held and applied for the particular benefit of the citizens, freemen and burgesses or of the widows or kindred of them and have not been applied for public purposes. It was therefore enacted that no person shall be made or admitted a burgess or freeman of any borough by gift or purchase. The town clerk was required to make out a list to be called the freemen's roll of all persons who in 1835 were admitted as burgesses or freemen after which date no person should be put upon the roll until the mayor had examined into his claim. Exclusive rights of trading were abolished and every person who could do so was allowed by the statute to open a shop and sell whatever goods he chose.

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The council elects from its members such committees as are necessary. The council must hold at least four quarterly meetings, and as many more as they think fit. The mayor presides and he may

summon a special meeting of his council whenever he chooses. The council may make by-laws for the good rule and government of the borough, two-thirds of the whole council must be present. (See BY-LAWS.) The accounts of the borough must be audited by two auditors elected by the burgesses and one appointed by the mayor. The town clerk must send to the Local Government Board a copy of the annual receipts and expenditure of the corporation. If it is desirable to divide the borough into wards, or alter the wards, the same must be undertaken by petition to the King in Council.

When a person is elected to a corporate office, he has to make a declaration that he will perform his duties properly, and that he has so much property, or is rated to the poor at so much. Holders of corporate office are the mayor, the aldermen, and the elective auditors.

Burgess Roll. The parish burgess lists of parliamentary and municipal voters are, after revision, handed to the town clerk, who prints the list, and the printed document becomes the burgess roll. The roll of names is arranged in the same order as the ratepayers appear in the rate-book. The voters who live outside the borough are put in alphabetical order at the end.

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Borough Rate. The borough rate is levied when the borough fund is not sufficient to meet expenses. The rate may date backwards for six months. The borough rate is assessed on the annual value of the property in each parish which is rateable to the poor. The value of each assessment is to be found in the last valuation list. The council orders the overseers to pay the contribution of the parish to the borough rate out of the poor rate, or as a separate rate. The warrant for the levy of the borough rate is signed by the mayor and sealed with the corporate seal.

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No persons are now admitted as freemen of a borough by gift or purchase. The town clerk must keep the freemen's roll, and the inhabitants of a borough may petition the King in Council for a charter of incorporation.

he makes the place a municipal borough and he by his Council settles the following. The number of councillors the number and boundaries of the wards the date of retirement of the first aldermen and councillors and the creation of the police force for the new borough.

Every person in any borough may keep any shop for the sale of lawful wares. The five boroughs of Hastings Sandwich Dover Hythe and Fye have certain special rights and duties notably the right of the justices to grant licences for the sale of intoxicating liquor. The Vice-Chancellor of the University of Cambridge is a justice for the borough. Special rights are reserved to the universities of Oxford Cambridge and Durham.

London Government. It remains to be added that the ancient City of London which is a county of itself stands outside the Municipal Corporations Act, 1889. It is governed by its own charters Letters Patent Acts of Parliament and usages and customs. Greater London is governed by metropolitan borough councils whose constitution and powers will be now summarised. The London Government Act 1889 divided the whole of the administrative county of London exclusive of the city into metropolitan boroughs. Each metropolitan borough possesses a mayor aldermen and councillors. The council may borrow money with the sanction of the London County Council. The mayor becomes by his office a justice of the peace for the county of London. The rights privileges and duties of a metropolitan borough council are generally speaking the same as those of a provincial borough and have been sufficiently described above. The county of London is governed as are other counties by the county council (See LOCAL GOVERNMENT RURAL DISTRICT COUNCIL URBAN DISTRICT COUNCIL).

TOWN TRAVELLER.—The person who does not go upon a journey but who confines his business of travelling to the city or town in which his principal is established.

TOYS.—Among the toys for which England is noted are locomotives brass cannon tin soldiers wax dolls boats rocking horses and tops which are manufactured in Birmingham London Gloucester and other towns. There are in addition large imports from Germany where Nuremberg is the chief centre of production for wooden toys. Various other parts of Germany are engaged in toy making e. g. Saxony Hesse-Nassau and Wurtemberg. France is another great exporter of toys such as cheap jelly balloons and mechanical playthings which are made chiefly in Paris Switzerland and the Tyrol send wood carvings of every sort including bears chalets etc. and toys are now manufactured largely in the United States.

TRADE.—This is the name generally applied to the buying the selling and the exchanging of commodities bills money and the like. Trade is either wholesale or retail. The former consists in supplying goods etc. in more or less large quantities to merchants and dealers whilst the latter consists in supplying private consumers.

Adam Smith divides the wholesale trade of a country into three different kinds—

(1) The home trade which is engaged in purchasing in one part and selling in another part of the same country the produce of the industry of the country and it comprehends both the inland and the coasting trade or that which is carried on both by land and by sea.

(2) The foreign trade which consists in the purchase of goods etc. made in a foreign country for home consumption and which goods are exchanged for the products of the importing country.

(3) The carrying trade which is engaged in the transfer of goods from one country to another.

All matters connected with trade in various forms are treated of under separate headings.

TRADE BILL.—When a bill is drawn in the ordinary course of trade in payment for goods services rendered etc. it is often spoken of as a trade bill in order to distinguish it from an accommodation bill (q.v.) which is one given without any value being received.

TRADE, BOARD OF.—(See BOARD OF TRADE.)
TRADE DISPUTES ACT.—This Act was passed in 1906 primarily in consequence of the decision in the Taff Vale case in 1901 by which it was held that a trade union could be sued for acts done which would make a private person amenable to the law. It was obvious to the unions that such a state of things might possibly result in a great loss to their funds. The controversial portions of the Act are not referred to especially that part which deals with picketing and it will be sufficient in the light of the statement already made to quote section 4 which is as follows—

An action against a trade union whether of workmen or masters or against any members or officials thereof on behalf of themselves and all other members of the trade unions in respect of any tortious act alleged to have been committed by or on behalf of the trade union shall not be entertained by any court.

TRADE ETHICS.—The essence of ethics is to lay down the basis of right conduct. It seeks to show what *ought* to be done in order to satisfy the demands not of profit or expediency but of what is roughly called righteousness. And ethical forces are among those of which the economist has to take account. The trader indeed who is the economist in practice is constantly concerned with questions regarding the justness of dealings. The British trader has a reputation for upright and honourable dealing from higher motives than honesty is the best policy. He hesitates to take advantage of a weaker bargainer. He will not where an earnest attempt has been made to fulfil a contract exact his bond to the uttermost farthing and without the compulsion of law he scrupulously discharges his obligations. That any obligations are *not* fully binding rarely enters into his consideration. The law can in fact only limp painfully after the usages of the mercantile community. It can punish the grosser kinds of fraud but hundreds of minor matters it must perforce leave to the probity of the individual dealer. Sales and purchases are made on an enormous scale daily in the course of business without any of the parties ever exchanging a written document. Yet the repudiation of a bargain is never imagined. This character for fair dealing is one of his assets with which the British trader can ill dispense. It enables him to maintain his ground against competitors possibly more energetic and enterprising but less reliable.

There are Mr Mill tells us countries in Europe of first rate industrial capabilities where the most serious impediment to conducting business concerns on a large scale is the rarity of persons who are supposed fit to be trusted with the receipt

summon a special meeting of his council whenever he chooses. The council may make by-laws for the good rule and government of the borough, two-thirds of the whole council must be present (See **By-Laws**). The accounts of the borough must be audited by two auditors elected by the burgesses and one appointed by the mayor. The town clerk must send to the Local Government Board a copy of the annual receipts and expenditure of the corporation. If it is desirable to divide the borough into wards, or alter the wards, the same must be undertaken by petition to the King in Council.

When a person is elected to a corporate office, he has to make a declaration that he will perform his duties properly, and that he has so much property, or is rated to the poor at so much. Holders of corporate office are the mayor, the aldermen, and the elective auditors.

Burgess Roll. The parish burgess lists of parliamentary and municipal voters are, after revision, handed to the town clerk, who prints the list, and the printed document becomes the burgess roll. The roll of names is arranged in the same order as the ratepayers appear in the rate-book. The voters who live outside the borough are put in alphabetical order at the end.

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No persons are now admitted as freemen of a borough by gift or purchase, but the town clerk must keep the freemen's roll for his borough. If the inhabitants of a town or district desire to have a charter of incorporation, they must petition the King in Council. If his Majesty grants the petition,

manufactured by him or goods selected by him or goods which in some way or other pass through his hands in the course of trade. It is a mode of distinguishing goods which have been in some way or other dealt with by A B the person who owns the trade mark.

At common law there was no property in a trade mark. But where a person had long been in the habit of using a particular mark or name he could prevent any other person from fraudulently making use of the same or a similar mark or name to pass off the latter's goods as though they were the goods of the former.

Registration was first established by the Trade Marks Registration Act 1875. This Act together with various amending Acts is now repealed and the law as to the Trade Marks was consolidated and amended by the Trade Marks Act 1905 (5 Edw VII c 15) and the rules made thereunder by the Board of Trade.

A trade mark must consist of or contain one at least of the following essential particulars—

(a) The name of a company, individual or firm represented in a special or particular manner.

(b) The signature of the applicant for registration or some predecessor in his business.

(c) An invented word or invented words.

(d) A word or words having no direct reference to the character or the quality of the goods and not being according to its ordinary significance a geographical name or a surname.

(e) Any other distinctive mark but a name, signature or word or words other than such as fall within the descriptions in the above paragraphs—(a) (b) (c) and (d)—shall not except by order of the Board of Trade or the Court be deemed a distinctive mark.

The majority of the cases upon the validity of a name etc. as the subject of a trade mark have turned upon the third and fourth of these particulars. At the present day many of the most spelt words which once displayed on advertising hoardings as trade marks are incapable of registration.

Registration is effected by application in the prescribed form to the registrar at the Patent Office. The application must be accompanied by five representations of the trade mark and a statement of the particular class of goods in connection with which the applicant desires that it should be registered. The application is then advertised by the registrar and any person may within two months give notice of opposition to the registration either on the ground that the trade mark is not a proper subject for registration or that it so closely resembles a mark already registered that it is calculated to deceive. If the applicant does not after notice of the opposition proceed with his claim for registration he will be presumed to have abandoned it. The registrar may refuse to register a trade mark if its use would in his opinion be contrary to law or morality.

Just as in the case of patents it is advisable that a person who is desirous of registering a trade mark should secure the services of a person who is an expert in such matters. The technicalities are too great for the average layman.

As soon as a trade mark is registered, the proprietor has a *prima facie* right to its exclusive use. Registration is valid for fourteen years from the date of the application and can be renewed every fourteen years. The fees payable upon

application and registration are fixed by the Board of Trade.

The register of trade marks is kept at the Patent Office and contains particulars similar to those entered in the register of patents.

A registered trade mark can be assigned but its assignment can only take place together with the assignment of the goodwill of the business with which the trade mark is connected. Apart from the goodwill it has no existence so that if the goodwill is determined the trade mark disappears with it. When a series of trade marks have been registered they are only assignable as a whole.

By the Merchandise Marks Acts which were passed in 1887 and amended by an Act of 1891 it is an offence punishable criminally for any person to forge or falsely to apply a registered trade mark or a false trade description to goods. If the goods of a foreign manufacturer are imported into this country and bear the name or mark of any manufacturer, dealer or trader in the United Kingdom they must also bear a clear indication of the name of the country in which they have been produced.

TRADE NAME—(See **TRADE MARK**.)

TRADE PRICE—The market price of goods less a wholesale discount allowed to retailers who have to sell again.

TRADE PROTECTION SOCIETIES—These are associations which are formed for the purpose of safeguarding the interests of those who are engaged in trade or in financial matters generally by giving information as to the stability or otherwise of individuals or companies with whom a person proposes to have dealings. Thus A is about to enter into business relations with B of whom he knows practically nothing. Before doing anything however he puts an inquiry through one of these societies and obtains all the private information he possibly can as to B's position. They exist in all large towns and some of the societies are exceedingly well known.

TRADE RIGHTS—This term designates those proprietary rights which apart from brands and trade marks belong exclusively to the person or the firm who has built up an established trade or business. Such for instance is a trade name or the name of a place of business which if assumed by another person would be likely to take away business by misleading the public and so divert business from the original proprietor.

TRADE ROUTES—In all ages water has played its part in providing trade routes. The early civilisations developed in fertile river valleys using the navigable rivers as means of transport. Later the great inland seas notably the Mediterranean provided means of communication and to-day the oceans are utilised as free waterways by all the great trading nations.

The oldest trade on the basis of distance is land naturally into land and on traffic land traffic is pre-eminently short distance traffic whilst that of the ocean is mainly long distance traffic. The ocean is the international highway and its carrying trade is essentially an international one. No nation can claim more than 3 miles free in its own coast—beyond that the ocean is free to all. Land routes must in many cases cross international boundaries and lands are under the jurisdiction of a State or States.

Again the ocean furnishes the cheapest of all modes of transportation. Roads have to be constructed, railways built and both roads and

and expenditure of large sums of money. There are nations whose commodities are looked shyly upon by merchants, because they cannot depend on finding the quality of the article conformable to that of the sample. Such short-sighted frauds are little prevalent among us, and they always bring their appropriate punishment in a cessation of the particular trade. In like manner one cause of the commercial decay of Holland has been the exorbitant demands of her traders.

"In matters of commerce the fault of the Dutch is giving too little and asking too much."

True commerce is for the advantage of both parties engaged in it, not merely of one. Trade consists in supplying someone with what we can get more easily than he can, in exchange for that which he, on his side, can get more easily than we can. Both parties should benefit, not one be "bested" or "done" by the superior cunning of the other. *Caveat emptor*, "let the buyer take the risk," may be the legal view of trading operations, but in practice the public run scant risk when they take the dealer's word.

The trader's work in the world is to put things where they are wanted, to foresee demands and to provide the means of supplying these demands. Just as all exchange originated in mutual gifts, so even now every good exchange is also a good gift. "It blesses him that gives and him that takes." For his services in anticipating demand and taking risks on his shoulders the trader deserves his reward as much as any other who serves the community. But he abrogates his true function if he seeks profit by force or fraud, if his interests in the stock market make him neglect the interests of his property and if by manipulating contracts he produces a "corner" likely in the long run to harm both producers and consumers. His mission is to provide for the community, not to pillage it.

What then are we to say of "cutting prices" so as to ruin a competitor, what of the rate reductions which oblige the small road to part with its interest to "railway kings", of the relentless and crushing competition, the boycotting and intimidation, with which the great Trusts stamp out opposition? It would almost seem that business probity is a virtue which can hardly bear transplantation to another country. And when a monopoly has been obtained, or when from the nature of the case a monopoly is inevitable, which of the two alternative methods of making a profit ought to be adopted? Shall prices be put up, or shall a large output with its attendant economies be caused by a lowering of prices? The latter is probably the more effective as well as the juster method. As Mr Gladstone said, "A financial experience which is long and wide, has profoundly convinced me that, as a rule, the state or individual or company thrives best which dives deepest down into the mass of the community, and adapts its arrangements to the wants of the greatest number."

We may, in this matter at all events, sum up in Ruskin's words. "Two main points the merchant has in his providing function to maintain: first, his engagements (faithfulness to engagements being the real root of all possibilities in commerce); and, secondly, the perfectness and purity of the thing provided, so that, rather than fail in any engagement, or consent to any deterioration, adulteration, or unjust and exorbitant price of that which he provides, he is bound to meet fearlessly any form

of distress, poverty, or labour, which may, through maintenance of these points, come upon him. Again in his office as governor of the men employed by him, the merchant or manufacturer is invested with a distinctly paternal authority and responsibility."

And we shall agree with this great writer that "Any given accumulation of commercial wealth may be indicative, on the one hand, of faithful industries, progressive energies, and productive ingenuities; or, on the other, it may be indicative of mortal luxury, merciless tyranny, ruinous chicane." Stable and honourable trade can consist only with the first class of wealth.

TRADE LIBEL.—This is not an altogether fortunate expression, but it is the name given to statements which are made by one person in disparagement of the goods manufactured and sold by another person in consequence of which the latter suffers special damage.

A great text-book writer thus states concisely the law upon the subject. "Not all such words (*i.e.*, words which disparage) are actionable. A man may always puff his own goods. He may even name his rivals in the trade, compare his goods with theirs, and assert that his own goods are better than theirs, either generally or in some particular respect. No action will lie for such expressions of opinion so long as the defendant asserts no fact about his rivals' goods. But if a man, after lauding his own goods and expressing his opinion that they are superior to the goods manufactured by others, goes on to make assertions of fact about his rivals' goods, which he cannot prove to be true, such disparagement will give rise to an action on the case, provided the words be published without just cause or occasion, and special damage ensue."

"To give instances. Any trader may say, 'My goods are the best in the market, they are far superior to A's.' And no action will lie for such words, even though they be written or spoken maliciously and cause special damage to A. But if he asserts without just cause that 'A's food for infants contains large quantities of starch,' or 'There is opium in B's soothing syrup,' when there is no starch or opium in either, and damage follows, both A and B have a good cause of action on the case."

Of course if the words used go on to defame the plaintiff personally or in the way of his trade, there will be the ordinary action for libel or slander, as the case may be, open to him. (See *DEFAMATION*.)

If the words used are capable of being construed as an actionable disparagement of the plaintiff's goods, the plaintiff will have to prove (a) that the statements complained of are untrue, (b) that the words were used maliciously, *i.e.*, without just cause or excuse, and (c) that special damage has arisen thereby. The remedy accorded will take the form of damages, and, in certain cases, an injunction. (See *SLANDER* or *TITLE*.)

TRADE MARK.—A trade mark may be defined as a particular mark, stamp, or device, affixed or attached to manufactured goods, indicating to the public generally that the goods have been manufactured or otherwise dealt with by the person or persons who have affixed or attached the mark. To quote the language of a great judicial authority: "A trade mark means the mark under which a particular individual trades, and which indicates the goods to be his goods—either goods

the Far West to the ports for ocean going steamers on the St Lawrence.

Canals of minor importance are the Scotch *Caledonian Canal* cut through Glenmore mainly used by tourist steamers and the Scotch fishing fleets the *Cirman Canal* cut through the Mull of Kintyre saving the long journey round the Mull of Kintyre and the *Göta Canal* from Göteborg (Gothenburg) to Söderköping utilizing Lakes Vener and Wetter.

Trade Centres. Centres develop often naturally but sometimes artificially on trade routes where the buying and selling of goods are carried on and where goods are collected and distributed. The world's great cities are great trading centres. Trade centres develop where routes converge as at London and Chicago at the end of a route as Liverpool Glasgow and New York at the head of navigation as Montreal at places which have attractions for trade as Birmingham and at places which formerly rose to importance owing to geographical advantages but which now exist by geographical status as Bristol which is artificially aided by the docks at Avonmouth.

Ocean Trade Routes. During the last forty years a commercial revolution has taken place. In 1870 90 per cent. of the world's shipping was moved by sailing vessels. In 1910 more than 80 per cent was moved by steam. The use of steam has more than doubled the ocean routes. Sailing vessels must take advantage of winds, weather, currents and tides and have often to make wide detours, while the steamer desiring to save time and fuel sails as nearly as possible in straight lines, hence there are two distinct sets of routes on the ocean—the sailing routes and the steamer routes.

Ocean steamships fall into two main classes, liners and tramps. Liners consist of vessels belonging to a regular line plying on the same route voyage after voyage and having more or less regular times of sailing. Tramps have neither regular routes nor times of sailing, they go from port to port seeking trade and usually for a single voyage at a time. The tramp is practically a necessity for many products are only available in large quantities at certain seasons of the year. If much weight can be placed on modern factors of trade it would seem that sailing vessels will decline still more in the future. Special commodities have been claimed for sailing vessels such as the nitrate of soda, the timber and the grain of Western America, but shipments by steam of these products have been made during the last few years, the sailing ship's only hold on the future seems to be in some irregular trade that cannot be organized.

The greatest ocean trade route is that of the *North Atlantic* whose European focus may be said to be in the English Channel while New York Bay may be considered to be its main American focus. The chief European termini are Liverpool, Glasgow, Southampton, London, Hamburg, Bremen, Amsterdam and Havre, and the American termini are Montreal and Quebec (in the summer only), Halifax, St. John's, New York, Boston, Philadelphia, Portland (Maine), Baltimore, Wilmington, Charleston, Savannah, Galveston, New Orleans and Mobile. The fastest and most commodious of ocean liners ply on this route and special mention may be made of the greyhounds of the Atlantic—the *Lusitania* and the *Mauclaire*—which sail between Liverpool and New York. The trade is mainly an exchange of the manufactured goods of Western

Europe for the food stuffs, timber and raw materials for manufacture of North America. Some great steamship lines following this route are the Cunard, the White Star, the International Mercantile Marine, the Hamburg American and the North German Lloyd.

Next to the North Atlantic in importance is the *Mediterranean Asiatic route* through the Straits of Gibraltar and the Suez Canal and around the continent of Asia to Japan. This route is the reason of the Suez Canal. It may be said to have double termini in the Atlantic in the ports of the east of the United States and those of Western Europe. In the Mediterranean it has many feeders coming chiefly from Barcelona, Marseilles, Genoa, Naples, Venice, Trieste, Odessa and Alexandria. Passing through the Suez Canal and down the Red Sea to Aden, the main line continues to Ceylon (Colombo) and Singapore, a branch however goes to Bombay. At Colombo vessels for Madras, Calcutta and Burma turn northwards into the Bay of Bengal and the Australian mail steamers turn southward across the Indian Ocean. The routes diverge again at Singapore, a branch goes to Java and East Australia, but the main route proceeds to Hong Kong, Shanghai and Yokohama. Southern and Eastern Asia exchange wheat, wool, raw cotton, silk, tea, spices, rice, timber, coffee, rubber, tin, sugar and tobacco for the cottons, hardware, railway plant, machinery and metal manufactures of Europe and the United States. Among steamship lines on this route are the Peninsular and Oriental, the Orient Royal Mail, the British Indian Steam Navigation, the Elder, the Hamburg America, the North German Lloyd, the French Messageries Maritimes, the Nippon Yusen Kaisha of Japan, the Austrian Lloyd and the Italian National Line.

The *South African Trunk Route* sweeps boldly along the West African coast to Capetown, two streams of traffic unite at or near the Cape Verde Islands—one from the ports of Western Europe and the other from the Atlantic and Gulf ports of the United States. Vessels in the East African trade stop at Port Elizabeth, East London and Delagoa Bay, and a few continue to Mombasa and Zanzibar. All freight steamers from the United States and Europe use this route to Australia instead of the Suez route, for though European vessels would save about 1,000 miles by going through the Suez Canal, yet the canal tolls are so high as to make it cheaper for freight vessels to take the longer Cape route. From the ports of the United States to Australia, the Suez Canal route is practically as long as the Cape of Good Hope route. The more important steamship lines steam directly from South Africa to Adelaide (South Australia), Melbourne (Victoria) and Sydney (New South Wales), while a few continue to Brisbane (Queensland). The less important lines call at Fremantle (West Australia) and afterwards run direct thence to New Zealand or call at Melbourne (Victoria) or Hobart (Tasmania). Vessels engaged in trade with India and the East after calling at the South African ports and Mauritius steam north-east to Colombo and join the Asiatic Trunk route. The trade conducted is one of textiles, cotton and woollen clothing, machinery and railway plant from the Atlantic centres for the wool, metals (gold, silver, copper and tin), meat, fruits, cereals, wine, timber and gums of Australia. Important steamship lines using this route are the Peninsular and Oriental, Orient Royal Mail, White Star, North German Lloyd.

railways have to be maintained, whereas, the ocean provides a natural way subject to no conditions of upkeep.

It must be borne in mind that, though the foreign trade of nations is generally of very great extent, yet in all the leading nations it is of secondary importance to the domestic trade. Even in the United Kingdom, with her insular position and high state of industrialism, the domestic trade is approximately double that of the foreign trade, and in the United States the foreign trade is only about 12 per cent of the total trade.

Carriage of goods on land, in the highly civilised countries, is now chiefly by rail, roads, though still important, and likely to be more so in the future, do not, at the present time, figure prominently in land transit. A study of the existing railways of the world shows that the relief of the land exercises the chief control over their direction, river-valleys are used, high ground is frequently avoided by traversing the coastal plains, detours are made to avoid heights and steep gradients, and tunnels are made where passes are not available. The productivity of a region is also an important determining factor, not only in the direction taken by the railway, but also in the freight rates charged.

Water trade routes may be divided into (1) Ocean, (2) Lake, (3) River, and (4) Canal routes.

Ocean. Ocean routes are determined by the amount of traffic that can be obtained at each of the termini, thus there are a great number of steamship routes between Western Europe and North America, by ease of transit, secured by taking advantage of winds and ocean currents (more applicable now to sailing ships), by directness, obtained by following an arc of a great circle, the so-called "great circle" sailing (specially applicable to steamships), and by the avoidance of handling goods through a change in the mode of transport, thus the Clyde has been deepened to enable large vessels to reach Glasgow, and the Manchester Ship Canal was constructed to enable vessels to bring their cargoes of cotton inland to Manchester, and so avoid re-handling at Liverpool.

Lakes. An excellent example of a lake route is found in North America. The Great Lakes of North America, five in number, with the St. Lawrence River, and supplemented by a number of short canals, form a system of internal navigation not rivalled in any other continent. The waterway reaches inland 2,000 miles from the sea, and deep-draught ocean steamers can be accommodated at Montreal. Unfortunately, all the lake ports are blocked with lake-shore ice from about the first week in December to the fourth week in April, and navigation then becomes impossible. Montreal is only a summer port, the winter ports are Halifax, St. Johns, and the United States' Atlantic ports. The importance of the lakes' route may be gauged from the fact that in some years 40 per cent of the freight of the inland and coast waterways of the United States is carried on the Great Lakes and the St. Lawrence River.

Rivers. Several factors determine whether rivers can be used as trade routes, among these may be mentioned the productivity of the regions through which they flow, convenient depth of water, freedom from ice, and absence of bars at their mouths. Russia is well furnished with rivers, but owing to the fact that many of the rivers are ice-bound for a great part of the winter, and open out into seas frozen for some months in the year, they are

rendered useless for commerce in the winter, and even during the rest of the year the freight earned on them is small, owing to a sparse population and regions comparatively unproductive at the present time. An excellent riverway is provided by the Amazon in South America; this river is navigable for ocean steamers for 2,300 miles, from its mouth to Iquitos. There is a movement now to improve rivers as waterways, probably the future may see the United States complete a deep waterway from the Great Lakes to the Gulf of Mexico.

Canals. Canals as trade routes have lost much of their importance in inland navigation, but their revival in the future is not impossible. The great ship canals of the world are mainly isthmian canals, and have been made to shorten trade routes.

The Suez Canal, completed in 1869, runs from Port Said on the Mediterranean to Suez on the Red Sea, and passes through Lake Menzaleh, Lake Timsah, and the Bitter Lakes. It is about 100 miles in length, and has a depth of 34½ ft, enabling vessels of 28 ft draught to pass freely along it. On account of the dues charged, it is only used by the steamers carrying mails and cargoes necessitating quick transit. Vessels from England to Australia using the Suez route instead of the Cape route save 1,000 miles.

The Panama Canal, which may be completed by 1915, is being cut across the narrow isthmus of Panama in Central America from Colon on the Atlantic to Panama on the Pacific coast. The minimum depth of the canal is to be 41 ft, and the total length from shore to shore 40½ miles. The United States is constructing this canal largely for naval purposes, but it is bound to have far-reaching effects on the trade of the east and the west of the United States, and will necessarily shorten several trade routes.

The Kaiser Wilhelm or Kiel Canal is cut through the peninsula of Schleswig-Holstein, and joins Kiel on the Baltic to Brunsbüttel, near the mouth of the Elbe, it is 61 miles long, and has a depth of 29½ ft. It serves to connect Germany's Baltic ports with her important North Sea ports, and saves about 240 miles from English ports south of the Tyne to Baltic ports.

The Manchester Ship Canal from Eastham to Manchester has made an inland city into a port, and enables cargoes destined for Manchester to reach there without breaking bulk. Its length is 35½ miles and its depth 28 ft.

The Corinth Canal, 4 miles long, cut through the Isthmus of Corinth, connects the Gulf of Corinth with the Gulf of Ægina, and shortens the voyage between the Ionian and Ægean Seas.

The projected Kra Canal, through the Isthmus of Kra, between 10° and 11° north latitude, would shorten the route from Calcutta to China by about 700 miles, and that from Burma to Bangkok by 1,300 miles.

An important canal of the future will be the *Canadian Georgian Bay Ship Canal*. This canal will be essentially a river and lake construction scheme, and will utilise natural waterways, which fortunately exist in an almost continuous line from Georgian Bay on Lake Huron to Montreal, the most inland and most important of Canadian ocean ports. The total length of the canal will be 442 miles, and the minimum depth of 22 ft is such as will accommodate the largest lake steamers in the carrying trade. The canal is destined to provide the shortest and cheapest route for the carriage of grain from

the Far West to the ports for ocean going steamers on the St Lawrence

Canals of minor importance are the Scotch *Caledonian Canal* cut through Glenmore mainly used by tourist steamers and the Scotch fishing fleets the *Cnran Canal* cut through the Mull of Kintyre saving the long journey round the Mull of Kintyre and the *Göta Canal* from Göteborg (Göteborg) to Söderköping utilizing Lakes Wener and Wetter

Trade Centres Centres develop often naturally but sometimes artificially on trade routes where the buying and selling of goods are carried on and where goods are collected and distributed. The world's great cities are great trading centres. Trade centres develop where routes converge as at London and Chicago at the end of a route as Liverpool Glasgow and New York at the head of navigation as Montreal at places which have attractions for trade as Birmingham and at places which formerly rose to importance owing to geographical advantages but which now exist by geographical inertia as Bristol which is artificially aided by the docks at Avonmouth

Ocean Trade Routes During the last forty years a commercial revolution has taken place. In 1870 90 per cent of the world's shipping was moved by sailing vessels. In 1910 more than 90 per cent was moved by steam. The use of steam has more than doubled the ocean routes. Sailing vessels must take advantage of winds weather currents and tides and have often to make wide detours while the steamer desiring to save time and fuel sails as nearly as possible in straight lines hence there are two distinct sets of routes on the ocean—the sailing routes and the steamer routes

Ocean steamships fall into two main classes—liners and tramps. Liners consist of vessels belonging to a regular line plying on the same route voyage after voyage and having more or less regular times of sailing. Tramps have neither regular routes nor times of sailing they go from port to port seeking trade and usually for a single voyage at a time. The tramp is practically a necessity for many products are only available in large quantities at certain seasons of the year. If much weight can be placed on modern factors of trade it would seem that sailing vessels will decline still more in the future. Special commodities have been claimed for sailing vessels such as the nitrate of soda the timber and the grain of Western America but shipments by steam of these products have been made during the last few years the sailing ship's only hold on the future seems to be in some irregular trade that cannot be organised

The greatest ocean trade route is that of the *North Atlantic* whose European focus may be said to lie in the English Channel while New York Bay may be considered to be its main American focus. The chief European termini are Liverpool Glasgow Southampton London Hamburg Bremen Amsterdam and Havre and the American termini are Montreal and Quebec (in the summer only) Halifax St Johns New York Boston Philadelphia Portland (Maine) Baltimore Wilmington Charleston Savannah Galveston New Orleans and Mobile. The fastest and most commodious of ocean liners ply on this route and a special mention may be made of the *Frenchbound* of the Atlantic—the *Lusitania* and the *Mauretania*—which sail between Liverpool and New York. The trade is mainly an exchange of the manufactured goods of Western

Europe for the food stuffs timber and raw materials for manufacture of North America. Some great steamship lines following this route are the Cunard the White Star the International Mercantile Marine the Hamburg American and the North German Lloyd

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| Receipts from— | 1909 | 1908 | Increase (+) or Decrease (-). | |
|---------------------|------------|------------|-------------------------------|-----------|
| | | | Amount | Per cent. |
| | £ | £ | £ | |
| Minerals .. | 28,405,000 | 28,196,000 | (+) 209,000 | (+) 0.7 |
| General merchandise | 29,578,000 | 29,197,000 | (+) 381,000 | (+) 1.3 |
| Live stock | 1,494,000 | 1,495,000 | (-) 1,000 | (-) 0.1 |
| Total | 59,477,000 | 58,888,000 | (+) 589,000 | (+) 1.0 |

| Quantity of | 1909 | 1908 | Increase (+) or Decrease (-) | |
|---|-------------|-------------|------------------------------|----------|
| | | | Amount | Per cent |
| | Tons | Tons | Tons | |
| Coal raised | 263,774,000 | 261,529,000 | (+) 2,245,000 | (+) 0.9 |
| Coal brought to London by railway | 7,811,000 | 8,192,000 | (-) 381,000 | (-) 4.7 |
| Coal shipped coastwise as cargo | 21,240,000 | 20,067,000 | (+) 1,173,000 | (+) 5.8 |
| Coal exported abroad as cargo | 63,077,000 | 62,547,000 | (+) 530,000 | (+) 0.8 |
| Coal shipped for their own use by steamers,
whether engaged in the foreign or coasting trade | 22,020,000 | 21,681,000 | (+) 339,000 | (+) 1.6 |

The following table shows the gross receipts, the working expenses, and the net receipts in the years 1909 and 1908—

| | 1909 | 1908 | Increase (+) or Decrease (-) | |
|---|----------|----------|------------------------------|----------|
| | | | Amount. | Per cent |
| Gross receipts | Milhon £ | Milhon £ | Milhon £ | |
| Working expenses | 120 17 | 119 89 | (+) 0 28 | (+) 0.2 |
| | 75 04 | 76 41 | (-) 1.37 | (-) 0.8 |
| Net receipts | 45 13 | 43 48 | (+) 1.65 | (+) 3.8 |
| Proportion per cent of working expenses to gross receipts | 62.4 | 63.7 | Decrease 1.3 | |

The total working expenditure of the companies fell from £76,408,000 in 1908 to £75,038,000 in 1909, and the proportion of working expenses to gross receipts fell from 63.7 per cent—the highest figure recorded—to 62.4 per cent. The following is a comparison for 1909 and 1908 of the gross amounts of

the expenses of the companies under the four principal heads. These heads cover the bulk of the expenses connected with the actual working of the lines, they are also those chiefly influenced by the variations in the charges for wages, fuel, and materials—

| Heads of Expenditure | 1909 | 1908 | Increase (+) or Decrease (-) |
|--|----------|----------|------------------------------|
| | Milhon £ | Milhon £ | Milhon £ |
| Maintenance of way, works, and stations | 11 13 | 11 07 | (+) 0.06 |
| Locomotive power | 20 47 | 21 89 | (-) 1.42 |
| Repair and renewal of carriages and wagons | 6 30 | 6 21 | (+) 0.09 |
| Traffic expenses | 21 48 | 21 64 | (-) 0.16 |

The expenditure on Maintenance of Way etc increased by £60 000 as compared with a decrease of £190 000 in 1908. That on Locomotive Power decreased by £1 470 000 as compared with increases of £2 190 000 in 1907 and £300 000 in 1908. The expenditure on Repair and Renewal of Carriages and Wagons increased by £90 000 and that on Traffic Expenses decreased by £160 000. Taking these four principal heads together there was a decrease in 1909 of about £1 430 000 which compares with a decrease of about £90 000 in 1908.

The amounts of Rates and Taxes paid by the railway companies in the years 1900 1903 1908 and 1909 were as follows—

| Year | Total Amount of Rates and Taxes | Increase (+) or Decrease (-) compared with previous year |
|------|---------------------------------|--|
| | £ | £ |
| 1900 | 3 757 000 | (+) 175 000 |
| 1903 | 4 493 000 | (+) 260 000 |
| 1908 | 4 884 000 | (+) 21 000 |
| 1909 | 5 010 000 | (+) 126 000 |

The following figures show the cost of coal and coke and of materials used in the repair of engines for fifteen of the principal companies—

| Year | Expenditure on Coal and Coke | Expenditure on Materials in Locomotive Repair Department |
|------|------------------------------|--|
| | £ | £ |
| 1900 | 5 987 000 | 1 999 000 |
| 1908 | 6 539 000 | 2 567 000 |
| 1909 | 5 549 000 | 2 492 000 |

It will be seen that the amount expended on coal and coke by these companies fell from £6 539 000 in 1908 to £5 549 000 in 1909 and the reduction in working expenditure in the latter year was evidently due in the main to a reduction in the price of fuel.

As regards the actual net earnings of the companies in 1909 the total gross receipts (including about £9 500 000 sterling received from team boats canals hotels and other miscellaneous sources) amounted in the year 1909 to £120 174 000 and the total working expenditure to £75 038 000. The net receipts therefore amounted to £45 136 000 as against £43 486 000 in the previous year. The proportion of net earnings to capital was 3.43 per cent as compared with 3.32 per cent in 1908. The amount of paid up capital increased during the year by about £3 250 000. The average rates of dividend paid on the ordinary and preferential capital respectively rose from 2.99 per cent and 3.42 per cent in 1908 to 3.15 per cent and 3.46 per cent in 1909 the rates on the other classes of capital remaining substantially unchanged.

On the next page is a summary of the mileage capital receipts working expenses and net earnings of the railways of the United Kingdom in 1909 and 1908 compared

The summary shows that in 1909 as compared with 1908 there was an increase of £280 000 in gross receipts a decrease of £1 370 000 in working expenditure and an increase of £1 650 000 in net receipts. The total paid up capital increased by about £3 250 000 and the proportion of net earnings to total capital rose from 3.32 per cent to 3.43 per cent.

The preliminary summary for the year 1910 is as follows—

| | |
|----------------------------------|--------|
| Length of line open for traffic— | Miles |
| Single | 10 318 |
| Double or more | 13 069 |

Total 23 387

| | |
|------------------------------|---------------|
| Authorised capital— | £ |
| By shares and stock | 1 000 000 000 |
| By loans and debenture stock | 394 369 000 |

Total £1 394 369 000

Paid up capital—

(The figures in heavy type show the nominal additions to capital included in the figures in Roman type.)

| | |
|-----------------|-------------|
| Ordinary | 492 087 000 |
| Preferential | 91 740 000 |
| | 346 944 000 |
| Guaranteed | 43 944 000 |
| | 125 278 000 |
| Loans | 1 061 000 |
| | 12 115 000 |
| Debenture stock | 6 000 |
| | 34 048 000 |
| | 41,3 0 000 |

Total 1 319 469 000

19, 124 000

Number of passengers conveyed exclusive of season ticket holders—

| | |
|--------------|---------------|
| First class | 29 800 000 |
| Second class | 29 168 000 |
| Third class | 1 248 660 000 |

Total 1 306 630 000

Holders of season or periodical tickets— 727 000

Quantity of mineral and general merchandise conveyed—

| | |
|---------------------|-------------|
| Minerals | Tons |
| General merchandise | 404 8 5 000 |
| | 109 263 000 |

Total 514 088 000

Number of miles travelled by trains—

| | |
|------------------|-------------|
| Passenger trains | Miles |
| Goods trains | 266 814 000 |
| Mixed trains | 154 560 000 |
| | 1 782 000 |

Total 423 150 000

Summary of the Mileage, Capital, Traffic Receipts, Working Expenses, and Net Earnings of the Railways of the United Kingdom in 1909 and 1908 compared.

| | 1909 | 1908 | Increase (+) or Decrease (-) in 1909 | |
|---|---------------|---------------|--------------------------------------|----------|
| | | | Amount | Per cent |
| Mileage | Miles | Miles | Miles | |
| Of which doubles or more | 23,280 | 23,205 | (+) 75 | (+) 0.3 |
| Track mileage (including sidings) | 12,996 | 12,926 | (+) 70 | (+) 0.5 |
| | 53,972 | 53,669 | (+) 303 | (+) 0.6 |
| Paid-up capital | £ | £ | £ | |
| Amount included in the foregoing, which is nominal only | 1,314,407,000 | 1,310,533,000 | (+) 3,874,000 | (+) 0.2 |
| Paid-up ordinary capital | 196,681,000 | 196,365,000 | (+) 316,000 | (+) 0.2 |
| Amount included in the foregoing, which is nominal only | 493,121,000 | 491,633,000 | (+) 1,488,000 | (+) 0.2 |
| | 91,303,000 | 90,986,000 | (+) 317,000 | (+) 0.3 |
| Receipts— | £ | £ | £ | |
| Passenger traffic | 51,205,000 | 51,664,000 | (-) 459,000 | |
| Goods traffic | 59,477,000 | 58,888,000 | (+) 589,000 | |
| Miscellaneous | 9,492,000 | 9,342,000 | (+) 150,000 | |
| Working expenditure | 120,174,000 | 119,894,000 | (+) 280,000 | |
| Total | 75,038,000 | 76,408,000 | (-) 1,370,000 | |
| Net earnings | 45,136,000 | 43,486,000 | (+) 1,650,000 | |
| Proportion of net earnings to capital | Per cent | Per cent | | |
| Dividend paid on ordinary capital | 3.43 | 3.32 | (+) 0.11 | |
| | 3.15 | 2.99 | (+) 0.16 | |

Gross receipts—

| | |
|------------------------------|------------|
| From passenger traffic | £ |
| First class | 3,408,000 |
| Second class | 2,128,000 |
| Third class | 32,929,000 |
| Season tickets | 4,776,000 |
| Excess luggage, parcels, etc | 8,269,000 |
| Mails | 1,236,000 |

Total for passenger traffic . . . 52,746,000

From goods traffic—

| | |
|-------------|------------|
| Merchandise | £ |
| Live stock | 30,710,000 |
| Minerals | 1,555,000 |
| | 29,202,000 |

Total from goods traffic . . . 61,467,000

| | |
|--|-----------|
| Steamboats, canals, harbours, docks, etc | £ |
| Miscellaneous | 5,146,000 |
| | 4,530,000 |

Total steamboats, etc., and Miscellaneous . . . 9,676,000

Total gross receipts . . . 123,889,000

Working expenditure—

| | |
|--|------------|
| Maintenance of way, works, etc | £ |
| Locomotive power | 11,463,000 |
| Repairs and renewals of carriages and wagons | 20,675,000 |
| Traffic Expenses | 6,687,000 |
| Rates and taxes | 21,774,000 |
| Other | 5,098,000 |
| | 10,895,000 |

Total . . . 76,592,000

Net receipts . . . 47,297,000

TRANSFER DAYS (BANK OF ENGLAND).—
(See DIVIDEND AND TRANSFER DAYS.)

TRANSFEE.—The person to whom a bill of exchange, or any other document, security, or article is transferred.

TRANSFER OF SHARES (COMPANIES).—It is probable that, next to the great importance of the facilities offered to the industrial and commercial world by reason of the introduction of the Limited Liability Statute, which offer safeguards of limitation of risk, is the fact that shareholders are allowed, with few exceptions, to transfer their holdings, should it be found inconvenient to allow their capital to remain in the company or corporation selected. The Companies (Consolidation) Act, 1908 (Sec. 28), permits any shareholder, upon application to the director of the company, to transfer his holding; the company is required to enter in its register of members

the particulars of the transfer together with the name of the transferee or purchaser of the shares. The provision of the statutes is in all companies supplemented by further provisions embodied in the regulations or articles of association. In the majority of cases clauses will be found to the following effect—

(1) A deed of transfer of any share or group of shares is to be executed both by the holder and purchaser in other words the transferor and the transferee respectively. The former is deemed to be the holder of the share or shares till such time as the name of the transferee is actually entered in the register of members in respect of the shares mentioned in the deed. It is important to note that the mere fact of entering the particulars contained in the deed in the register of transfers does not constitute the cessation of the seller's membership nor the commencement of the buyer's. This does not actually ensue until the entry from the register of transfers has been posted to the members register, the fact of the directors having sanctioned and passed the transfer deed notwithstanding.

(2) A form of transfer deed is provided for in all companies' regulations whose shares have been accepted for quotation upon the official list of the London Stock Exchange. The form is to agree in all respects to that approved and issued by the committee of that institution. This committee carefully peruses the regulations of each company before granting facilities of quotation on the list of the House. Thus, done in order to insure that the securities of each company shall not be subjected to undue restriction in the money market and so impede business.

(3) Directors may exercise a certain amount of discretion as to whether they will accept a transfer deed when shares are not fully paid, the deed purporting to transfer the shares to a person not approved of by them. They can also refuse a deed containing shares upon which the company holds a lien. In practically all companies powers are given to the directors to close their register of transfers for from fourteen to thirty days immediately before the annual or ordinary general meeting every year. Further they may at any time refuse a transfer deed where the company's registration fee of a sum not exceeding 2s 6d has not been paid and unless the instrument of transfer is not accompanied by the share certificate covering the shares contained in the deed or such further evidence as the Board may deem advisable to establish the title of the transferor. (See LETTER OF INDENTITY.)

Examination of Deeds. The above will in all probability cover broadly the requirements to be observed by the registrars of all companies whose shares are subjected to much traffic or change of membership but regard must be had to the individual requirements of each company and the procedure to be observed should be regulated accordingly. The first steps to be taken by the responsible official of a company when a deed of transfer is submitted for presentation to the directors is to examine the authenticity of the deed itself, such as to scrutinise the nature of the transferor's signature, next to compare the distinctive numbers of the shares mentioned in the deed with those appearing upon the seller's share certificate which must be handed in at the time when the deed is presented unless the transfer has previously undergone the process of certification (q.v.) when it would have been lodged.

The form of certification should be examined with the entry made in the certification book or upon the back of the share certificate which would have been lodged when the deed was first presented to be certified. It then becomes necessary to ascertain whether the whole of the parties to the contract have appended their signatures and that those signatures have been attested in the manner prescribed for such instrument where the shares are held jointly or if they are to be transferred to joint holders provision is made for the signature and attestation to the signatures of each holder whether in the case of sellers or buyers. The last duty to be performed in certifying the deed is to verify the amount of stamp duty required to be impressed upon every instrument of this description upon the following scale—

| | | |
|---|---|---|
| | s | d |
| Where the consideration is not over £5 | 0 | 6 |
| and 16d for every further £5 or fraction thereof up to £25 | | |
| Where the consideration exceeds £25 but is not over £50 | | 0 |
| and 2s 6d for every £25 or fraction thereof up to £300 | | |
| Beyond £300 the duty payable amounts to 5s for every £50 or a fraction of £50 | | |

In ascertaining the amount of duty it is necessary to note that the amount levied is based upon the amount of the consideration passing between the parties, not upon the nominal or paid up value of the shares. The secretary of the company is regarded by the statutes as the one official personally liable for any neglect in regard to the payment of revenue in this connection and is liable to a penalty not exceeding £10 for every deed which may not have been properly stamped. The duty is to be paid to the Inland Revenue Authorities not more than thirty days from the date when the deed was executed. It is important for members however that the secretary is not required to attend to the business of stamping transfer deeds. He is merely required to see that it has been done. It is a Stock Exchange custom to require the stamp duty to be met by the transferee and in dealing with shares quoted upon the official list this is always attended to by the transferor's broker.

Transfer Receipts. If the deed has been found to be satisfactory in all the above particulars the depositing broker who will represent the seller may require—

1 A form of acknowledgment known as a transfer deed receipt which must be issued under the full name of the company with the address of its registered office and contain space for the serial number of the deed affixed by the company's officials as above stated.

2 The names of the transferors and transferees respectively.

3 The number and class of the shares with the distinctive number.

4 The number of the share certificate left with the deed and the number of shares contained in that certificate.

5 It must also contain the name of the brokers or other agents of the shareholder and be signed by the secretary or registrar on behalf of the company.

6 The receipt should further state the date when the share certificate in the name of the transferee will be ready.

REGISTER OF TRANSFERS
Left-hand Ruling

| Left-hand Ruling | | | | | | | | | | | | | |
|------------------|-----------------------|--------|------------|----------------|-----------------|--------------------|-----------------------------|-------|-----------------------|--------------------|---------------|----|---|
| No of Deed | Date of Registration. | | Transferor | | | Shares Transferred | | | No of Old Certificate | Folio of Register. | Consideration | | |
| | | | Surname | Christian Name | Address (brief) | No | Distinctive Nos (inclusive) | | | | | | |
| 1105 | 191 | May 15 | Winkie | Cornelius | Buckstone | 100 | 15101 | 15200 | 769 | 543 | 102 | 10 | 0 |

PREFERENCE SHARES
Right-hand Ruling

| Transferee | | | | Register of Member's Folio | New Certificate No | Remarks. |
|------------|----------------|---------------------|-------------|----------------------------|--------------------|----------|
| Surname | Christian Name | Address | Description | | | |
| Wardle | Emily | The Hall, Rochester | Spinster | 853 | 1950 | |

provision for this procedure, it is merely a safeguard adopted by practically all companies who have their securities quoted on the official list. It is usual to provide a specially printed form for the purpose, constructed in such a way that duplicate copies can be obtained of all notices sent out, the copies bearing some note of the number of the transfer deed for easy identification in each instance.

Specimen of Notice to Transferor of Lodging of Transfer.

Urgent.

THE EMPIRE STORES, LTD.

Re Transfer Deed No 1105

NOTICE OF TRANSFER OF SHARES

1-20 QUEEN'S ROW,
BAYSWATER,
15th May, 191

Dear Sir,

I have to inform you that a deed of transfer purporting to be signed by you and executed in the name of Miss Emily Wardle as transferee, for 100 Preferred Shares has this day been deposited at these offices for registration by Messrs Tredgold & Co., of 1 Capel Avenue, E.C.

Unless I hear from you per return of post, I shall

assume the above named transfer to be in order, and it will consequently be brought forward at the next meeting of the Board for registration.

I am,

Your obedient Servant,
W. W. Staveleigh,
Secretary

To C Winkie, Esq.,
Dingley Dell,
Buckstone.

TRANSFER OF SHARES (STOCK EXCHANGE).

—When the tickets referred to under the heading of SETTLEMENT, STOCK EXCHANGE, and SPLIT TICKETS have passed from hand to hand until they have reached their ultimate destination, there remain to be made out the deeds of transfer relative to stock and shares which have to be delivered, and on the pay day, the last day of the settlement, in exchange for his cheque, the broker who has to take delivery of registered stock or shares receives a transfer executed by the individual out of whose name such stock or shares are coming. As has already been explained in dealing with the SETTLEMENT (STOCK EXCHANGE), ten days' grace is allowed, after which, if delivery of the transfer is not meanwhile effected, the purchaser is entitled to have recourse to the process of "buying in," a process which is described under that heading. In the majority of cases the transfer has been "certified" (See CERTIFIED TRANSFER). If it is not certified, the

transfer has to be accompanied by the relative certificate in the name of the transferor. We will suppose that a broker has to receive on behalf of his client Mr John Jones of The Cedar Putney S.W. a transfer for 100 shares in the well known firm of margarine manufacturers Van den Berghs Ltd. a popular industrial share on the Stock Exchange. He will receive a deed of transfer in the form shown in the inset.

In this transfer the portions that have been written in are indicated by italics. It will be noticed that the transfer is certified *se*. It bears on the left hand side an indication that the supporting certificate in the name of the transferor has been lodged with the Secretary of the London Stock Exchange and that it has been signed by the former registered proprietor of the shares whose signature has been attested by a witness. This transfer the purchasing broker sends on to his client for execution and in due course he will receive it back from Mr Jones that gentleman having to sign the deed in the blank space below the signature of H. T. Browning the transferor his signature having also to be attested by a witness. The same witness may attest the signatures of both transferor and transferee if he happens to be acquainted with both parties. Should any mistake appear in the deed of transfer the alteration must be initialed by all the parties thereto.

On receipt of the transfer executed by his client the transferee it is the duty of the broker to present such transfer to the office of the company for registration. In exchange for this he gets a document acknowledging that transfer for 100 shares in favour of Mr John Jones has been lodged for registration and such transfer receipt will mention the date on which the new certificate in that gentleman's name will be ready for delivery. The broker holds the transfer receipt until the due date when he presents it to the office of the company and receives in exchange therefor the new certificate in the name of his client which he forwards to that individual. This results in a delay varying from three to six weeks between the date of the purchase and the receipt by the purchaser of the share certificate in his name and many individuals unversed in these matters experience a feeling of uneasiness on that score. There is however no cause for this for the certificate is merely evidence of their ownership of the shares and the moment the name of a purchaser is entered upon the books of a company which is usually the day on which the transfer executed by him is lodged with the company he is actually a shareholder. Care should be taken not to lose or mislay a certificate of transfer for in such event the transferee can only be registered as the holder of the shares after compliance with certain vexatious formalities some times even involving avertisement. The loss of an unexecuted transfer is of little importance so long as the certificate itself is not lost because in such a case the only trouble involved is to secure the signature of the transferor to a duplicate deed. It is a safe rule to send certificates or certified transfers only by registered post.

TRANSFEROR—The person who parts with a bill of exchange or any other document security or article to another.

When a transfer of any article is made for a valuable consideration there is a warranty expressed or implied on the part of the transferor that he has a right to transfer the property in the same.

If this should eventually turn out not to be the case the transferee has a right to claim repayment of what he has given in respect of the transaction.

The transferor of a bill of exchange by mere delivery that is without endorsing it warrants to his immediate transferee being a holder in due value that the bill is what it purports to be that he has a right to transfer it and that at the time it is transferred he is not aware of any fact which renders it valueless. But the transferor is not in such a position upon the instrument itself nor is he liable in tort on consideration in respect of which he has transferred the bill if the bill should be dishonoured and so.

(1) The bill was given in respect of an antecedent debt or

(2) It appears that the transfer was not intended to operate in full and complete discharge of the liability.

For example A the holder of a bill of £100 which has been indorsed in blank disposes of it with a banker for £90 without indorsing it. If the bill is dishonoured at or before maturity A is not liable to refund the £90.

TRANSHIPMENT—In cases of necessity as for instance where the ship is wrecked or otherwise disabled in the course of the voyage and cannot be repaired or cannot be repaired without too great a delay and expense the master acting as agent of his owner may procure another competent vessel to carry on the goods and earn the freight. He is entitled however to a reasonable time within which to tranship. It has never been decided in this country whether under any circumstances he is bound to tranship but it is the duty of the master as representing the shipowner to take active measures where reasonably practicable for the preservation of the cargo from loss or deterioration in case of accidents. The master ought not to leave the cargo to perish and in case of absolute necessity where he has no means of communicating with the owners of the cargo he may to save the cargo hypothecate the cargo and where it is impossible to carry it on or preserve it he may even sell it.

In no case has it been held that the master is under obligation to the shipper or charterer to tranship the cargo if his own vessel is disabled but if he tranships in case of such disablement as he is entitled to do in order to earn the freight stipulated in the original charter party he cannot hold the charterer by exception of perils other than those accepted in the original charter party and should there be a loss by other peril though excepted in the new contract of affreightment such exception is no defence for the shipowner under the original contract.

It is clearly beyond the master's authority in hiring another ship to bind the merchant to pay for dead freight but the shipowner is not bound to employ another vessel to complete the voyage to his own loss. If therefore the only terms upon which another ship can be got are such that the whole agreed freight and more will be absorbed by the expenses of forwarding the master is entitled and in duty to the shipowner is bound to abandon the voyage unless he completes it on his own ship.

TRANSHIPMENT BOND NOTE—This is a note given when dutiable goods are transhipped and states that the party named therein has given security for the due transhipment and exportation of the goods specified. This note is handed in to and retained by the Customs authorities in every

case where dutiable goods are transhipped from one vessel to another. Unless some such note was in existence, duty will have to be paid upon the unloading in the first instance. A form of bond note is given on page 470.

TRANSHIPMENT DELIVERY NOTE.—A note used when dutiable goods are to be transhipped. It is addressed by the Customs to their officer on board the incoming vessel, instructing him to send up in charge of an officer of Customs the goods specified therein, to be delivered into the custody of the proper officer at the docks where the export steamer is lying.

TRANSHIPMENT PRICKING NOTE.—This is another document also in use when dutiable goods are transhipped. It is addressed by the Customs to their officer on board the export steamer, instructing him to receive the goods (by land or water, as the case may be), and is signed by him, as well as by the mate of the ship, as certifying to the shipment.

TRANSIRE.—A document issued at the Custom House, drawn in duplicate, for use in the coasting trade, fully describing the goods on board a ship, and giving the names of the shipper and the consignee. The duplicate serves as the outward clearance of the vessel, and the original, being given up when she reaches her destination is her entry inwards.

TRANSMISSION OF SHARES.—The formalities to be observed in regard to the representation or change of holdings in shares, occasioned either by death, lunacy, or bankruptcy, are more or less uniformly dealt with more from a point of accepted practice than from actual requirements of the law. The Companies (Consolidation) Act, 1908 (Sec. 29), requires that

"a transfer of share or other interest of a deceased member of the company made by his personal representative shall, although the personal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer."

The statute is, however, silent as to the procedure necessary in cases of lunacy and bankruptcy, but the clauses of Table A, which will in all probability be found embodied in the articles of association of every important company, provide for all three cases.

Upon the demise of a sole holder of a share or shares, the executors or persons to whom letters of administration have been granted, will be the only parties recognised as having any title or claim to the shares, but where a holding is represented by two or more persons, the survivor or survivors, or executors or other representatives of the deceased member, are the only persons recognised by the company as having right to those holdings.

Bankruptcy or Deceased Shareholders. Upon the bankruptcy of any shareholder registered in the company's books, the company may require such evidence being produced from time to time as may be required by the directors before such representatives have the right either to be registered as a member in respect of the share or shares, or to make such transfer of the shares in the same way as the registered holder was entitled to do. The directors can, however, in any case exercise their discretion to decline or suspend registration of representatives as members, or of a transfer of shares.

Persons becoming entitled to a share or shares arising from the death or bankruptcy of a member are entitled to the same privileges as were enjoyed by the original holder, but until such person is registered as a member in respect of the shares, he is not entitled to exercise any of the privileges enjoyed by members in respect to attending meetings of the company. It is important to note that the above Act by Section 27 strictly prohibits the entry upon the register "of any trust expressed implied, or constructive." So that in recording the demise of a shareholder, the company's officials must merely make a note at the head of the shareholder's account in the register to the effect that a certificate of death, or probate of the will, or letters of administration have been exhibited at the company's registered offices, naming such persons as have been appointed by the deceased as his or her personal representatives.

It will depend upon the company's regulations as to whether those representatives may exercise the full rights and privileges conferred upon the deceased by reason of his holding, but, in any case, dividends accruing upon the shares would be paid to the executor or administrator whose name first appeared, if more than one name is given. As a general rule, as pointed out above, the representatives of deceased have an implied right to dispose of or transfer the shares.

An official receiver or trustee in bankruptcy would be similarly situated in regard to the holdings of a debtor.

Whenever official documents are lodged for exhibition at a company's registered office, the officials are required to peruse closely the contents and make proper extracts into a book kept by the company, and known as a register of documents, all material data would be duly carefully noted in this book when completed. The same entries are also, of course, made in the shareholders' account in the register of members. The document exhibited is stamped in the following manner—

| |
|--|
| <p>EXHIBITED AND REGISTERED
Folio 958
<i>The Empire Stores, Limited</i>
May 13th, 1912 W. W. Staveleigh,
Secretary</p> |
|--|

In the case of death of a shareholder, the larger companies require the deceased's representatives to fill in and sign the following form—

Form of Probate Registration No 159
THE EMPIRE STORES, LTD

FORM FOR REGISTRATION OF PROBATE OF
WILLS OF DECEASED SHAREHOLDERS

| | |
|---|---|
| Name, address, and description of the deceased member | Bernard Brewer,
The Manor House,
Horsley,
Bucks |
| Number of Shares held and distinctive Nos | 3,000 Ordinary Shares
Nos. 71426 to 73925,
and 54501 to 55000,
all inclusive |
| Date of Death | 4 Feb, 1912 |
| Date of proving the will at Probate Registry | 25th April, 1912 |

Whether above Shares
devolve upon specified
legatees and if so
their name or names

No

Executors

Name *Septimus Sleuth*
Address *10 Curvator St E C*

Occupation *Solicitor*
Name *John Jennings*

Address *Barlons Court*
Oatlands

Occupation *Gentleman*

Name

Address

Occupation

Probate Exhibited by *S Sleuth & Son*

Solicit rs

Date *30th April 191* *10 Curvator St E C*

Usual signature of Executors *S Sleuth*
J Jennings

| For Office
use only | Examined by
<i>B F</i> | Entered in
Share Register | Ord
Reg
2/501 | Fees
paid
<i>5 6d</i> |
|------------------------|---------------------------|------------------------------|---------------------|-----------------------------|
|------------------------|---------------------------|------------------------------|---------------------|-----------------------------|

No company requires a fee of 2s 6d or 5s for the exhibition perusal and registration of such documents. In the case of bankruptcy, the usual notice from the official receiver or a trustee will be received and duly noted in the shareholder's account in the register. The same applies as to the lunacy of a member when notice from the Lunacy Commissioners will be received usually in the form of a document giving the names of the committee appointed to administer the estate of a person of an unsound mind.

TRANSVAAL.—Position, Area, and Population. The Transvaal, known formerly as the South African Republic annexed by Great Britain in 1900 includes the territory between the Vaal River in the south and the Limpopo in the north and between the Portuguese possessions and Natal on the east and Bechuanaland on the west. The total area is 110 426 square miles and about 20 000 square miles lie within the tropics. The population is estimated at about 1 700 000 of whom the whites number 425 000. The Transvaal after having enjoyed responsible government for a few years became incorporated in the Union of South Africa in 1910.

Build. The surface is an elevated plateau 3 000 feet above sea level dotted with thinly wooded hills called kopjes covered with thorny bush and interspersed with spruets or depressions worn out by the action of streams. The northern extension of the Drakensberg Mountains with the offshoot known as the Nagelsberg runs north and south the highest summit being Mount Manchu 87.5 feet high. In the north a range known as the Hlangklop runs east and west. In the north-east the surface is rugged broken and mountainous. The surface gradually slopes from the Drakensberg to the Limpopo. The country is watered by the rivers Vaal and the Limpopo with their tributaries. The Vaal and the Nu-Ganepi form when united the large Orange River. Both these rivers rise on

the Mount Auz Sources a high summit of the Drakensberg. The Vaal forms the southern boundary of the Transvaal. The Limpopo sometimes called the Crocodile River rises among the Maghesberg and enters the Indian Ocean a few miles north of Delagoa Bay. Its chief tributary is the Olifant or Elephant River. The Limpopo is shallow and navigation is impeded by a double bar at its mouth.

Climate and Soil. Being situated at a high elevation the climate is pleasant and healthy, and well adapted to Europeans. It is moister than that of the Orange River Colony and heat and cold vary considerably according to elevation. Both climate and soil are favourable for agriculture. Where the soil is suitable for cultivation it is very fertile but agriculture in some parts labours under serious drawbacks. Vegetation is richer than in the Orange River Colony and parts of the Transvaal are at a lower elevation than that colony.

Productions. Until the discovery of gold and other metals the country was entirely pastoral agriculture and stock rearing being the chief industries and although the Boers or Dutch inhabitants are still chiefly occupied on the land mining constitutes the chief wealth of the country. Gold has been worked in the Lydenburg district since 1870 but its discovery in recent years in large quantities in the district called the Rand has entirely changed the prospects of the Transvaal and caused many thousands of Europeans to immigrate and build the large town of Johannesburg. Previous to the war the output of gold amounted to £12 000 000 annually. There is abundance of coal and also of excellent iron. Silver lead copper and cobalt are also known to exist and are mined to some extent. Large numbers of sheep are raised wool growing being still of great importance. Stock rearing is also largely carried on as is also ostrich farming and in parts fruit and grain are largely grown.

Trade. The exports are chiefly the produce of farming and mining and include wool cattle hides game ostrich feathers ivory butter fruits gold silver copper lead cobalt and iron. The imports are chiefly manufactured goods of different kinds.

Means of Communication. There are about 2 700 miles of railways connecting the Transvaal with Durban Delagoa Bay and the Cape. Delagoa Bay is the natural outlet and there is a line directly connecting Pretoria with the port of Lorenzo Marques passing through Koomati Poort, where the Portuguese and the Transvaal frontiers meet. Another main line connects Pretoria with Johannesburg and Bloemfontein while a third important line connecting Cape Town with Kimberley and Bulawayo runs along the western border. It is now possible to make a complete railway tour of South Africa, entering at Cape Town and quitting at Durban or Lorenzo Marques. There is good telegraphic communication between the chief towns.

Trade Centres. *Pretoria.* Under the republic this was the centre of the political life of the Transvaal and the seat of its Government. It is now the seat of Government of the Union of South Africa. It is at a lower elevation than Johannesburg and is not so healthy. It possesses some good building and is enclosed by hills. It lies in the centre of a district formerly engaged in the horn and the ostrich feather trades. The

population is about 50,000, of whom 30,000 are whites

Johannesburg, the largest town in the Transvaal and the second largest in South Africa, lies in the centre of a large gold-mining district, is situated at a high elevation, and enjoys a remarkably fine climate. It is well laid out, has some good brick buildings and wide streets. Its growth has been very rapid, and the population is estimated at 250,000, one half of whom are whites.

Potchefstroom, in the south-west, was the old capital.

Other towns are *Lydenberg*, *Barberton* (around which are gold mines), *Utrecht*, *Bloemhof*, and *Rustenberg*.

People and History. The Transvaal is largely peopled by Boers of Dutch descent, just as is the Orange Free State. When Great Britain gained a firm footing in South Africa, the Boers gradually retired northwards, and eventually formed the Dutch African Republic. Owing to various difficulties, Great Britain annexed the territory in 1877, but four years later the Boers were granted complete self-government under the suzerainty of Great Britain. The name South African Republic was first used in 1884. It remained a republic until 1900, when it was again annexed by Great Britain. As already stated, it was granted self-government in 1907, and afterwards incorporated with Cape Colony, Natal, and the Orange Free State to form the Union of South Africa.

The Boers are essentially pastoral farmers, and much of the labour is done by natives. Gold and diamonds have attracted a most cosmopolitan population, and the problem of mixed races is one which will be bound to cause much anxiety in the future.

Mails are despatched from Great Britain to the Transvaal every Saturday afternoon. Pretoria is 7,200 miles distant from London, and the time of transit is about nineteen days.

For map, see CAPE COLONY, page 280.

TRAVELLER.—A person engaged by merchants and manufacturers to canvass for orders, to collect money, and to represent their interests away from the establishments.

The rights and duties of a traveller will depend upon the terms of his engagement. He may be merely a servant of his principal or he may be in the position of an agent (See COMMERCIAL TRAVELLER, TOWN TRAVELLER).

When a traveller is engaged to go abroad it is necessary to obtain information as to the terms upon which such a person will be allowed to transact business in each country he visits. Such information is obtainable at any consulate.

TRAVELLERS' CHEQUES.—These are cheques which were first issued by the American Bankers' Association for the use of its members. It appears that the Association had contracted with the Bankers' Trust Company of New York for their issue and for their own protection. The cheques are for ten, twenty, fifty, and one hundred dollars each, and are tinted blue, green, straw, and orange respectively. If the cheques are in proper order they are promptly cashed by bankers, hotel proprietors and others.

According to the instructions issued by the Association—

The holder may identify himself by signing his name in ink in your presence in the space left for that purpose upon the face of the cheque. The

signature must correspond with the holder's signature which was placed upon the cheque at the time of its purchase in the place designated for that purpose.

Ordinarily the line following the words "pay to the order of" on the cheque will be left blank. In such cases the name of the bank or hotel company or other party cashing the cheque should be filled in, thus making the cheque payable directly to the party who cashes it, in which case the holder need not indorse the cheque, his counter signature being all that is necessary. Should the name of the holder have been written on the face of the cheque following the words "pay to the order of" it will then be necessary for him to indorse the cheque as well as to countersign it.

Parties presenting cheques for encashment should receive the face amount, or its nominated equivalent in countries especially mentioned upon the face of the cheque, and in all other countries the equivalent of the sterling amount at the current rate of exchange.

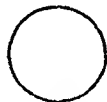
In the case of doubt as to the authenticity of the cheque, if it is held up to the light certain planchettes will be seen, and no cheque is genuine without them. Planchettes, it is explained, are small discs in three colours embedded in the pulp of the paper at the time of its manufacture.

The form of the cheque is as follows—

| | | |
|------|-------------------------------|------|
| \$20 | American Bankers' Association | \$20 |
| | Travellers' Cheque | |
| | Bankers' Trust Company, | |
| | New York City | |

Current in all parts

No



When countersigned below with this signature, at any time within two years from date, to wit

of the world

19

Pay to the order of
equivalent as below

\$20⁰⁰ or its

Countersignature

We hereby accept the foregoing order and will pay the same, when properly negotiated through any of our correspondents named on the back hereof

(Name of issuing bank
to be printed here)

By

Cashier

Bankers' Trust Company
By Treasurer

At the foot of the cheque the equivalent of the \$20 is given for various countries, that for Great Britain and Ireland being £4 1s 8d.

The order is to be payable without deduction of charges, except stamp duty tax, out of funds to credit of drawer.

When cashed the cheque is to be forwarded for reimbursement to one of the various bankers mentioned on the back of the cheque, according to the country in which it is cashed.

Travellers' cheques are also issued in this country in precisely the same way as in America, but, of course, they are not guaranteed by any Trust Company. The cheques are for £5, £10, and £20, and are payable in various countries at the rates

specified upon them and in other countries at the current rates. A list of agents throughout the world is furnished with each cheque or batch of cheques.

TRAVEPSE JURY—(See **JURY**)

TREACCL—(See **MOLASSES**)

TREASURE TROVE—This phrase signifies any money coin gold silver plate or bullion found hidden in (not on) the earth or other private place the owner thereof being unknown. In the United Kingdom the treasure thus found is the property of the Crown. From an early date the coroner of the district in which treasure is found has had jurisdiction to inquire into the ownership of treasure trove and this jurisdiction has been continued by the Coroners Act 1887. When treasure is found the coroner orders an inquiry. Evidence is given and the jury decide whether the true owner has been discovered or not. If the owner is discovered he is declared entitled to the treasure; if not the whole reverts as already stated to the Crown.

TREASURY—The name given to the Government department which has charge of the finances of the country. The Prime Minister of the United Kingdom is usually the First Lord of the Treasury.

TREASURY BILLS—These bills are issued by the Treasury under an Act of Parliament of 1877 for money borrowed by the Government and form part of the unfunded debt of the country. They may be payable at three or six or nine but not more than twelve months from the date of the bill. The principal money of any Treasury bill is charged on and payable out of the Consolidated Fund of the United Kingdom. With respect to the issue of Treasury bills the following provisions are in force: (1) Treasury bills shall be issued by the Bank of England under the authority of a warrant from the Treasury countersigned by the Comptroller and Auditor-General of the receipt and issue of Her Majesty's Exchequer. (2) Each Treasury bill shall be for the amount directed by the Treasury.

The Bank of England may lend to His Majesty upon the credit of Treasury bills any sum or sums not exceeding in the whole the principal sums named in such bills.

In a letter to the Economist November 1909 Lord Welby explained that Treasury bills were invented by Mr. Walter Bagehot in 1877. The Chancellor of the Exchequer wished to provide certain funds by an increase of the floating debt. Mr. Bagehot's advice was asked and he replied:

The English Treasury has the finest credit in the world and it must learn to use it to the best advantage. A security resembling as nearly as possible a commercial bill of exchange—that is a bill issued and discounted and falling due at certain intervals—would probably be received with favour by the money market and would command good terms. His advice was acted upon and the bills have continued in favour ever since.

When the Government requires to borrow upon Treasury bills an announcement for tenders appears in the Gazette and forms of tender may be obtained from the Bank of England. As the bills do not carry interest they are sold at a discount.

The following is a specimen of a Treasury bill—

Due 18th March 1913

Treasury Bill

Per Acts 40 Vict c 2 & 52 Vict c 6

A

001706

£1000

London 18th Dec 1912.

This TREASURY BILL entitles

or order to payment of ONE THOUSAND POUNDS at the Bank of England out of the Consolidated Fund of the United Kingdom on the 18th day of March, 1913

I If it shall be or filed to B I be p. i Bear r

TREASURY BONDS—The same than s a. a. e Exchequer Bonds (q.v.)

TREASURY SOLICITOR—This is an official who is nominated by Royal warrant under the provisions of the Treasury Solicitors Act 1876. He is a corporation sole and it is to him that the administration of intestate estates is granted when the Crown becomes entitled to them. He is vacant a fee when the intestate has died leaving no next-of-kin who is entitled under the Statute of Distribution (q.v.). The Treasury Solicitor is also the King's Proctor and until 1908 he likewise occupied the position of Public Prosecutor.

TRESPASS—(See **CRIME**)

TRESPASS—Generally speaking trespass signifies an act which interferes with the rights of another person. It may therefore affect the land, the goods, or the person.

The word is most commonly used in respect to land and it means any interference with the exclusive right of the owner or holder for the time being. Thus it is a trespass for one person to walk upon the land of another without permission or to enter another person's house or to shoot over his land etc. In the majority of cases a trespass is a tort for which a civil remedy is provided. For example A walks over B's land. If B feels aggrieved he may bring an action against A for damages the amount of the damages being limited to the actual damage sustained. In many cases the damage will be extremely small but the aggrieved person has a further remedy. If the trespass is likely to be continued in the shape of an injunction (q.v.) and disobedience to an order forbidding the trespass renders the trespasser liable to imprisonment if the trespass is continued. Except in so far as there is a liability to imprisonment for contempt as just mentioned after an injunction has been obtained there is no virtue in the notice trespassers will be prosecuted. For a simple trespass there can be no criminal proceedings but this does not apply to the trespass in pursuit of game or mushroom gathering or house breaking. It is to be borne in mind that when a landowner has been convicted prima facie of a trespass on his land (and may be liable to damages) if he enters in or upon the premises without the leave and licence of the tenant or licensee of the premises, the tenant or licensee is entitled to keep off all intruders even if he has no law book. It is for the tenant if at all on an agreement for a tenancy generally only a clause empowering the landlord to enter in or upon the premises and a certain number of persons. As to the damages to be given that

shooting over another man's land without leave constitutes a trespass, this arises from the fact that the ownership of land is not confined to the surface, but extends to the sky and also to the centre of the earth. Legally, therefore, any interference with the air above the land constitutes a trespass, just as any removal of minerals underneath is a civil wrong.

Trespass to goods consists in taking or injuring the property of another. The remedy is an order for the restoration of the goods, and damages for their detention (See **CONVERSION**). If the goods are taken feloniously, the trespass becomes a crime, and the delinquent is guilty of larceny.

Trespass to the person consists in a wrong whereby another is injured either in person or reputation. The chief of these wrongs have been noticed under such headings as **ASSAULT**, **FALSE IMPRISONMENT**, **MALICIOUS PROSECUTION**, **NEGLIGENCE**.

An action for trespass to the person must be brought within four years. The period of limitation as to other trespasses is six years.

TRET.—(See **TARE AND TRET**)

TRIAL BALANCE.—A trial balance is a statement of balances standing in books of account kept on double entry principles, the balances on the debit side in total, balancing with those on the credit side in total.

Theoretically, as double entry necessitates a debit entry for every credit entry, should the debit entries in the books be totalled, and the credit entries in the books be also totalled the two results will be identical. The abstraction of balances only, will produce a similar result, as "if equals be taken from equals the remainders are equal."

In practice the trial balance is prepared by abstracting the balances from the debit and credit ledgers separately, so giving the totals for sundry debtors and sundry creditors. These and the balances of cash at the bank and in hand, as per the cash book, are then brought into account together with the balances abstracted from the nominal and private ledgers. (See **ERRORS**, **DETECTION OF**, **BALANCING OF BOOKS**)

TRIAL OF THE PYX.—(See **PYX**)

TRINIDAD.—The West Indian Islands of Trinidad and Tobago have since January, 1899 formed a single British Crown colony. Trinidad, the most southerly of the West Indies, lies 10 miles from the coast of Venezuela at the mouth of the Orinoco, and thus commands the approach to the Caribbean Sea from the south and the approach to the Orinoco from the north. The island is rectangular in shape, and has an area of 1,754 square miles, and a population of about 300,000. Physically, the island belongs to South America, its mountains continuing the Venezuelan system. Mountain chains border the north and south, but the surface, speaking generally, is level. On the west of the island lies the almost land-locked Gulf of Paria. The climate is hot and damp, the annual rainfall averages over 60 in., and the mean annual temperature is about 80° F. Agriculture is the most important industry, and sugar the staple product. The sugar estates are largely controlled by capitalists. On the sandy shores of the southern and eastern coasts cocoa-nuts are produced in abundance. Coffee and cocoa are grown on the hills, and their cultivation is increasing. Oranges and bananas are beginning to be largely exported. Rubber is being extensively planted, but tobacco has not yet been grown with much success.

The tropical forests yield cedar, logwood, mahogany, balata, and many other hard and soft timbers. In the extreme south-west, the famous Pitch Lake of La Brea supplies asphalt in important quantities. Coolie labour under British superintendence is employed on the plantations. Railways are being extended in the island, at present they run from the capital, Port of Spain, to Sangre Grande, San Fernando, Tabaquite, and Princes Town. The chief exports are sugar, Angostura bitters, cocoa, asphalt, cocoa-nuts, copra, bananas, oranges, cabinet woods, rum, and molasses, and the chief imports are cotton goods, flour, machinery, and hardware. The trade is principally with the United Kingdom, the United States, France, Venezuela, and Canada.

The chief trade centre is *Port of Spain* (56,000), it is well situated at the extreme north-east of the Gulf of Paria. Its harbour is well protected from the Atlantic trade winds, and it lies out of the range of the cyclonic area.

San Fernando, in the south-west, is a port and minor trade centre.

Tobago lies about 20 miles north-east of Trinidad. Its area is 114 square miles, and its population about 19,000. It is a hilly, volcanic island, and produces sugar, cocoa-nuts, tobacco, cotton, rubber, nutmegs, and live-stock. The small towns of *Scarborough*, the capital, and *Phymouth* are the chief trade centres.

Mails are despatched twice a month via Southampton, and also periodically via the United States if the letters are so marked. The time of transit is about fourteen days.

For map, see **SOUTH AMERICA**.

TRINITY HOUSE.—In Section 742 of the Merchant Shipping Act, 1894 (57 and 58 Vic c 60), "The Trinity House" is defined as "The Master, wardens, and assistants of the guild, fraternity, or brotherhood of the most glorious and undivided Trinity, and of St Clement, in the Parish of Deptford Strond, in the County of Kent, commonly called the Corporation of the Trinity House of Deptford Strond." It was an incorporation "of the chiefest and most expert mariners" made by Henry VIII in 1514, and had its original home at Deptford. A royal dockyard was established there about this time, and it was placed under the direction of the Corporation. At Deptford ships were also supplied with pilots, so that on Trinity House many duties were gradually laid and rights conferred.

The statute of 8 Eliz c 13 (1566), charged it "with the conduction of the Queen's Majesty's Navy Royal"; and amongst its other duties included in this general direction was that of providing beacons, lights, and buoys for the navigation along the coasts. In the course of time its sphere has been restricted until it now is concerned chiefly with navigation as the principal lighthouse and pilotage authority for England, there being separate lighthouse authorities for Scotland and Ireland.

In 1604 the Trinity Brethren were divided into two classes of Elder and Younger Brethren, and by a charter of 1609 the Elder Brethren alone obtained the management of the Corporation. There are thirteen Elder Brethren: two elected from the Royal Navy and eleven from the Merchant Service, and there are honorary members of eminence elected from time to time, as in the case of other ancient companies and fraternities.

By a practice which rests on ancient usage, and not on statutory authority, the judge sitting as the Judge in Admiralty is assisted by two of the Trinity Elder Brethren—Elder Brethren as they

are usually called—as nautical assessors. They also sit in nautical cases with the Court of Appeal and the House of Lords. The custom is said to date from 1673 when Sir Leoline Jenkins the Judge of the Court of Admiralty obtained their assistance in a collision case. The headquarters of the Corporation are now at Trinity House Tower Hill.

Lighthouses. It was entitled under its charters to dues on lighthouses buoys beaconage and ballastage (the latter right now abolished) and it had invested funds and landed property. These revenues were spent amongst other things on pensions to seamen and their families. In 1853 however the duties on lights buoys and beacons were directed to be paid to a fund called the

Mercantile Marine Fund which is controlled by the Board of Trade and into and out of this fund the revenues and expenses incurred are paid. The rates chargeable are fixed by Order in Council and the Board of Trade supervises and controls all the operations of Trinity House. But its private funded and landed property is still managed by it uncontrolled.

Just as the Trinity House of Deptford Strand is the general lighthouse authority for England so the Commissioners of Northern Lighthouses and the Commissioners of Irish Lights are the general lighthouse authorities for Scotland and Ireland respectively each having the superintendence and management of all lighthouses bays and beacons in their areas. But the Trinity House may enter any lighthouse within any of these areas for inspection, and doing anything required under the Act of 1834 to be done by the lighthouse authorities (See 637 Merchant Shipping Act 1894).

There are also local persons or bodies in each of these areas who by law or usage have property in and authority over local lighthouses buoys or beacons (local lighthouse authorities as they are called) and over these the General Lighthouse Authorities have the right and duty of inspection control and management. The General Lighthouse Authorities may also take over by purchase or otherwise from these local lighthouses their property if they wish to surrender it. Over all the Board of Trade has the general authority.

Pilots. In various places around the coast are authorities who have powers under charters or by statute to appoint and license pilots. The principal of these is the Trinity House of Deptford Strand having jurisdiction over the London and English Channel districts and in all districts where there is no pilotage authority by Act of Parliament or charter and the Trinity House has appointed sub-commissioners for licensing pilots. These districts are known as Trinity House Outer Districts. There are also at Hull and Newcastle corporations similar to that of the Trinity House of Deptford Strand and known as the Trinity Houses of Hull and Newcastle respectively. They have a like power to appoint and license pilot and to grant to sub-commissioners the powers of examination of pilots in all districts where they have been accustomed to appoint pilots.

The Board of Trade may constitute new pilotage authorities and districts and extend the limits of any pilotage district by including any area in which there is no pilotage authority. And in the Merchant Shipping Act 1894 (See 576) if a pilotage authority of one port has jurisdiction in another the Board of Trade may transfer its authority to any other

body in the latter port or to the Trinity House. In these new districts there is to be no compulsory pilotage as is the case in many districts under pilotage authorities and a good number of such new districts have been constituted by provisional orders made by the Board of Trade in districts where pilotage is compulsory the owner and master of a vessel are not responsible for accidents while the pilot is in charge. But there is considerable uncertainty as to the districts where pilotage is compulsory. Moreover there is controversy whether as a matter of public policy compulsory pilotage should continue or if so whether it should exempt from liability.

As bearing on this question it may be noted that by Sections 578 and 581 of the Merchant Shipping Act 1894 the Board of Trade may give pilotage authority may exempt master and crew of all ships or any classes of ships from compulsory pilotage on terms and conditions.

Other matters connected with the licensing of pilots dues for pilotage and other regulations belong to the general subject of pilotage.

TRIPOLI.—(See TURKISH EMPIRE.)
TRISTAN DA CUNHA (BRITISH).—A small group of islands in the South Atlantic Ocean lying between Cape Town and Buenos Ayres. They were taken by the British in 1816 soon after the banishment of Napoleon I to St. Helena.

The products are apples peaches and potatoes but as there is only about one communication a year with this outlying colony there is really nothing in the shape of trade.

The inhabitants are less than 100 in number and it is stated that they live to a great age.

For position see MEASURES OF PROJECTION.

TROVER.—This is an old English legal term and one of the old forms of action. It lay at the suit of one person for the recovery of goods wrongfully converted by another to his own use. The aggrieved party had simply to prove that the person against whom he brought his action was in possession of his (the owner's) goods and that there had been a refusal to deliver them up on request. This is now generally known as wrongful conversion (q.v.).

TROY WEIGHT.—A measure of weight now rare in this country differing from the avoirdupois most commonly in use and limited to the weighing of gold silver platinum diamonds and other precious stones. The pound troy is that from which all other weights are obtained $\frac{1}{2}$ of it is the ounce troy $\frac{1}{8}$ of the ounce is a pennyweight and $\frac{1}{24}$ of a pennyweight is a grain. There are therefore 5760 grains in a pound troy whilst 7000 such grains go to make a pound avoirdupois.

TRUCK ACTS.—(See TRUCK SYSTEM.)

TRUCKAGE.—A term that is sometimes applied to denote the charge made for the use of railways and other trucks as distinct from a charge for carriage.

TRUCK SYSTEM.—By the Truck system we understand the payment of wages in whole or in part without the intervention of money. It is a survival into modern times of the barbarous method of barter and I think that we had it unduly oppress the weaker bargainer. The great instrument in freeing England from serfdom was the gradual substitution of a money economy for payments in kind. The most decisive mark of a highly developed society is the possession of an abundant supply of the means of exchanging goods and services. The farm labourer's wages are no doubt really a share in the

farmer's corn, cattle, and hay. It would, however, entail on him much trouble and loss if he were to obtain his share in kind, and either find a purchaser for it or consume it himself. By receiving coins instead, he obtains a kind of ticket which enables him to pay at any shop he pleases for a certain value of any commodity he chooses. The Devonshire workman who received as payment for his services a quantity of the cider he assisted in making, was but poorly paid; he could hardly possess much skill as a merchant so as to dispose of it to advantage, and the personal consumption of it would do him less good than the consumption of an equivalent value of bread, or clothes, or housing. Payment in money instead of in cider is an altogether unmixed boon.

In some cases it is quite impossible for an employer to divest himself of all thought for his workpeople once he has fulfilled the wages contract. He may have established his undertaking in a spot undeveloped till he selected it. Unless he supplied the workers with the necessaries of life, unless he founded stores where wholesome articles could be obtained at reasonable rates, unless he himself provided housing accommodation, the fact that he punctually and fully paid the stipulated wage would not make him quit of his obligations towards those he employed. More especially is this the case when the industry is a temporary one, so that independent shops cannot be established, when, for instance, a number of workers are recruited for the building of a bridge or the cutting of a canal. Some employers, indeed, have so keen a sense of their obligations, that they have provided temporary schools and teachers for the children of their workmen, and even in some cases chaplains to minister to their spiritual needs. The care for his workers shown by a judicious and thoughtful employer may, without loss to him, be of the greatest gain to them; their real wages will be much higher than their nominal or money wages.

But unless the workman may at his pleasure deal elsewhere than at the places provided by the employer, the system is clearly susceptible of grave abuses. In a highly developed society, in which there exists no reason why the employer should constitute himself a universal provider, it usually means that he is trying by the Truck system to get back some portion of what he has nominally paid away as wages. The real reward of the worker is less than the nominal reward. An instance is on record of employers who bought theatre tickets cheaply and compelled their workmen to buy them at full price. The hiring out of machinery at extravagant rents, the compulsion to spend a great part of wages earned, at shops under the management of the employer or of his agents, the deduction from wages of an "allowance" of drink—these and other instruments of oppression have pillaged the worker for the profit of his employer. "The influence," says Professor Marshall, "of the system for evil in the past has been so great, that it may rank with the old poor law and the unhealthy conditions of juvenile labour early in the last century as a chief cause of the degradation of large numbers of the working classes."

So much is this felt, that it may be regarded as a rule that where society tolerates any failure on the part of the employer to meet the wage contract fully and directly, there is indicated a low stage of industrial development. The essence of the wage system is that the worker knows beforehand exactly

what amount of the coin of the realm he shall receive, and when he shall receive it, the employer takes on his own shoulders any risk that the produce may fail to realise the anticipated price. Wages are a first charge on the employer, and they must be paid directly to the workman. No person, for instance, may have recourse to the employer for payment of a debt out of wages due to the workman, and having obtained his wages, the workman may deal with them as he pleases. It is good neither for the community nor for the individual that one man should live in a state of perpetual dependence on another. Subordination too readily becomes mean subservience.

In our country the laws enacted in the interests of workers afford adequate protection against all except the more subtle kinds of "Truck." In the case of the latter kinds, which include fines for bad work or damaged goods, and for acts or omissions which may cause loss or damage, further legislation may be necessary before the shop assistant, for instance, is sufficiently shielded from abuse. A Departmental Committee in 1906 indicated directions in which the existing law could with advantage be amended, and a Bill introduced by the Home Secretary in 1909 embodied the suggestions; but owing to the exigencies of Parliamentary time, it had to be included in "the slaughter of the innocents."

The main law on the subject is that of 1831. It sought to enforce two chief provisions. The lack of effective means of ascertaining that the law was carried out rendered it nugatory in numberless cases, but the grossest abuses were prevented, and the force of public opinion gradually created a more satisfactory state of things. The purport of the Act was—

(1) The reward of labour must be paid only in current coin of the realm: whole or part payment of wages in food, or drink, or clothes, or any other article was prohibited.

(2) It forbade agreements, express or implied, between employer and workman as to the manner or place in which, or articles on which, a workman should expend his wages, or for the deduction from wages of the price of articles—other than materials to be used in the labour of the workman—supplied by the employer.

An Act of 1874 was directed against a particular and especially mean abuse. In the hosiery manufacture many employers charged the workman exorbitant rents for the machinery and weaving frames, that is, mulcted him of a portion of his wages because he had not himself the indispensable implements for doing the work. Thus the Act forbade

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The amending and extending Act of 1896 was the occasion of a memorandum from the Home Office as to the scope of the Acts. They apply to all places where workpeople are engaged in manual labour under a contract with an employer whether or no the employer be an owner or agent or a parent or be himself a workman and therefore a workman who employs and pays others under him must also observe the Truck Acts. They apply therefore to sub-contractors. The Act was especially directed against the abuse of a system of fines deducted from wages. Deductions must be fair and reasonable having regard to all the circumstances of the case. The employer must not make a profit from the fines imposed whether for omission or for acts causing loss or damage or for bad work or damaged goods. A register open to the inspection of the Home Office inspector must be kept of all payments deducted from wages and the specific reasons for the deduction must be given to the workman.

The payment of wages to the workman in money is further secured by the law which prevents their being attached to satisfy a judgment. So likewise if a company is bankrupt the claims of workmen for wages are preferred before all other claims—even those of the debenture holders.

There would appear to be little necessity to argue as to the fairness of such laws. Adam Smith himself though he affirms that Government interference in industrial matters is usually vexatious and harmful approves of a law against Truck.

Wherever he says the legislature attempts to regulate the difference between masters and their workmen its counsellors are always the masters. When the regulation therefore is in favour of the workmen it is always just and equitable. But it is sometimes otherwise when in favour of the masters. Thus the law which obliges the masters in several different trades to pay their workmen in money and not in goods is quite just and equitable. It imposes no real hardship upon the masters. It only obliges them to pay that value in money which they pretended to pay but did not really pay in goods.

When we thus strive to do away with a too close dependence of man on master it must not be asumed that we thereby affirm that cash payment is the sole relation of human beings that a fair day's pay for a fair day's work is the highest ideal of society. Carlyle attacks with savage humour the cash nexus. Plugsong buccannier like says to the thousand men that pan and toiled round him:

Noble spinners, this is the Hun led Thousand ye have gained wherein I mean to dwell and plant vineyards the hundred thousand is mine the three and expense daily was yours when noble spinners drink my health with this great each which I give you or and above? A human being who has no help with human beings clears all scores with them cuts himself with triumphant completeness forever loose from them by paying down certain shillings and pound. But it is altogether certain that much abuse and oppression existed under the paternal system of government which is so attractive to many. The relation was then between rich and poor should be amiable moral and sentimental affectionate tutelage on the one side respectful and grateful deference on the other. This would no doubt be an improvement on present conditions if it were not for the melancholy teaching of history that every privileged

and powerful class as a body has used its power not in lovingly caring for inferior but in its own interests. As it is the thing to be aimed at is the utmost freedom of contract and of this freedom cash payments are the surest promoters. Like the various Factory Acts the Truck Acts involve an admission that the enlightened self-interest of employers and employed is not a sufficient safeguard against oppression.

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TRUSTEE—A trustee is a person who is entrusted with certain property in order that he may deal with it in accordance with directions that are contained in a trust deed creating a trust. According to the wishes of the creator of the trust. In practice it is a rare thing for one trustee only to be appointed unless it is a trust deed of arrangement for the benefit of creditors and provision is made in the majority of cases for the appointment of a new trustee or of new trustees when the number falls below two and under the Trustee Act 1893 the court has power to appoint new trustees whenever it is found expedient or impracticable to appoint them without the assistance of the court. The beneficiary under a trust is called the *cestui que trust*. If there are more beneficiaries than one they are called *cestui que trustants*.

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TRUST DEED FOR DEBENTURES—When debentures are issued by a joint stock company (see **DEBENTURES**) the charge which is given over the property of the company to secure repayment of the money lent by the debenture holders may be created either by the debentures themselves or by a separate trust deed. The latter method is perhaps the more common form and is generally considered the better security. When there is such a trust deed the company's property is thereby vested in trustees on behalf of the debenture holders and power is given therein to the trustees upon the occurrence of certain events to enter into possession of the property and to realise the same for their benefit. It is much more convenient for the debenture holders to have two or three trustees to protect their interests than for the debenture holders themselves to do so.

Every debenture holder has the right (upon payment of a certain sum) to be supplied with a copy of any trust deed. The deed must be registered in the company's register of mortgages and particulars delivered to the registrar of companies.

TRUSTEE—A trustee is a person who is entrusted with certain property in order that he may deal with it in accordance with the direction that is contained in a trust deed creating a trust. The trustee is to be the wisest and the greatest of the trust. In practice it is a rare thing for one trustee only to be appointed unless it is a trust of a small arrangement for the benefit of a few individuals and provision is made in the majority of cases for the appointment of a new trustee or of new trustees when the number falls below two and under the Trustee Act, 1925 the court has power to appoint new trustees whenever it is found inexpedient or impracticable to appoint one with ultimate sanction of the court. The trustee owes a fiduciary duty called the *fiduciary duty* to the beneficiaries than to the settlor or donor.

This Indenture made the first day of January One thousand nine hundred and thirteen BETWEEN John Jones of White House Longport in the County of Blackshire gentleman (hereinafter called the appointor) of the first part Thomas Smith of Red House Shortport in the County of White shire gentleman of the second part Alfred Brown of Strong Hill Aston in the county of Whiteshire solicitor and Andrew White of Albaston Hall Aston in the County of Whiteshire of the third part and the said Thomas Smith Alfred Brown and Andrew White of the fourth part

Whereas Solomon Jones (deceased) made his Will dated the 10th day of December 1897 and thereby after appointing David Carr Daniel Abrahams (both deceased) and the said Thomas Smith (hereinafter called the Original Trustees) to be his executors and trustee and after bequeathing certain legacies (since satisfied) devised and bequeathed to the Original Trustee all his real estate and the residue of his personal estate upon trust to sell the real estate (including chattel real) and to call in and sell and convert into money such part of his personal estate as should not consist of money (with power to postpone sale) And out of the money arising thereby and out of his ready money to pay his funeral and testamentary expenses and debts and legacies and to invest the residue of the said money in any of the investments thereby authorised (with power to vary investments) And to stand possessed of the investments thereby directed to be made or authorised to be retained and the investments for the time being representing the same Upon the trusts therein mentioned And the said Will contained a power for the Appointor during his life to appoint a new trustee or new trustees thereof

And whereas the testator died on the 12th day of January 1908 without having revoked or altered his said Will which was on the 5th day of April 1908 duly proved at the Probate Registry by the executors therein named

And whereas the Original Trustees sold all the real estate of the said testator and converted so much of his personal estate as did not consist of ready money or of authorised investments and thereout and out of his ready money paid his funeral and testamentary expenses and debts and legacies and the death duties payable on his death and invested the residue of the proceeds of such sales and conversion and of his ready money in manner directed by his said Will

And whereas the said David Carr died on the 1st day of April 1899 and the said Daniel Abrahams died on the 12th day of November 1912

And whereas the residuary estate of the said testator is now represented by the investments mentioned in the Schedule hereto standing in the name of the said Thomas Smith

And whereas the Appointor is desirous of appointing the said Alfred Brown and Andrew White to be trustees of the recited Will in the place of the said David Carr and Daniel Abraham (both deceased)

And whereas it is intended that so soon as practicable the investments mentioned in the Schedule hereto shall (after raising and paying thereout the costs of and incidental to the preparation and execution of these presents) be transferred into the joint names of the said Thomas Smith Alfred Brown and Andrew White

The present article deals with trustees in general. The special officials appointed by recent legislation, viz, the judicial trustee and the public trustee, are noticed under separate headings.

Trusts in England owe their origin to the ingenuity of the ecclesiastics, who were constantly at work to nullify the statutory enactments made to prevent the tying-up of real property. It is, however, unnecessary to treat of trusts from the historic standpoint. In any case they were in existence at a very early date, and trustees have been under the control of the Chancery Division of the High Court, or what was its predecessor in legal procedure, since the reign of Richard II. The long control of Chancery has had this effect, that the law relating to trusts and trustees is almost entirely judge-made law, varied and extended to some extent by statutes of modern date.

A trust is created when a person by deed divests himself of certain property and hands it over to trustees for the benefit of himself or some other person or persons. And unless there is some clause in the deed to the contrary, the creator of the trust has no further claim upon the property at any time. His legal right to the same has gone—it has been transferred to the trustees. And unless he has named himself as one of the beneficiaries, his equitable right has also gone—that is, now in the *cestui que trust* or *cestuis que trustent*, as the case may be. Similarly, a testator may create a trust by his will, and as great latitude is given to testators in respect of the expressions used in their testamentary documents, a trust may be created by will in a much less formal manner than it can be created by a deed.

In general, trustees are appointed by the deed or the will creating the trust, and it is always advisable, for the sake of saving expense, that provision should be made in the deed or the will as to who is to have the power of appointment of a new trustee or of new trustees when one (or both) dies or wishes to retire from the trust. Any person may be a trustee—male or female, infant or adult, alien or natural-born—though it is not advisable to appoint an infant a sole trustee, seeing that there may be important duties to perform, which cannot be carried out by him so long as he is a minor. Of course this might arise by inadvertence, and then the court would, upon application being made, nominate a person to act as trustee in the place of the infant until the minority came to an end.

It is always advisable that the testator or the creator of the trust, if it is by deed, should ascertain beforehand whether the proposed trustees are willing to act. Although any person may be named, he is never compelled to act, any more than an executor is compelled to take upon himself the administration of an estate, even when he is named by the testator. But if he once interferes with the trust property, or does any act in connection with the trust, he cannot divest himself of his position until he has been discharged or finally released. If he does not wish to act, although named, he should disclaim the position at the earliest opportunity. Though not strictly necessary, it is always advisable that the disclaimer should be in writing.

The choice of trustees is not always an easy matter, especially as great responsibilities may attach to the position, particularly when the

trusts are of a complex character. Some trustees are inclined to favour the beneficiaries at the expense of the trust fund, others are of an opposite nature, and cause trouble and expense on every possible occasion. The person to seek is one who will carry out the terms of the trust with the utmost strictness, but who will, nevertheless, put no obstacles in the way of doing anything which can be beneficial to the trust estate generally—in fact, who will take some personal interest at least in the matter. For it must not be overlooked that many acts are now permitted, by leave of the court, for the benefit of the beneficiaries or of the estate, which would not have been tolerated in older times. The ideal trustee is the person who will put no unnecessary obstacles in the way of aiding the *cestuis que trustent*. It has been said: "The best persons to be appointed trustees are men of business and position, friends of the family and substance and position, but not very closely interested in their welfare, but not very closely connected. Of such persons (if they are to be found) it is desirable to appoint three when the property is considerable, and two where it is of moderate compass. Even where the property is small it is, as a rule, highly inexpedient to appoint a sole trustee." It is, of course, obvious that a sole trustee, having the legal estate, might easily dispose of the whole and leave the beneficiaries beggars. The chance of criminal proceedings against a fraudulent trustee is a small consolation to ruined individuals.

The first duty of trustees is to reduce the subject matter of the trust into their possession, and if it consists of inscribed securities, to have them transferred into their joint names, and they must take the same care of the trust estate as they would be expected to take if it was their own, and they must themselves do such acts as a man would usually do in business. But they are justified in delegating to professional people such work as is in the ordinary course of business committed to such people, for example, the sale and the receipt of the purchase money of stocks and shares to brokers, the sale and the receipt of the deposit of the purchase money of land to auctioneers, and the receipt of the purchase money of land to solicitors.

Trust money must be invested by the trustees in accordance with the directions contained in the trust instrument, and in default of such directions investments must be made in those securities which are permitted by law. (See TRUSTEE SECURITIES.) Upon these the advice of a competent broker should always be taken.

Trustees must always act without remuneration for their services (except purely personal expenses) unless there is some special provision made to the contrary. Seeing, then, that they act without reward and are liable, in many cases, for mistakes as well as for a wilful breach of trust, it is unwise on their part to incur any risks when they can possibly avoid doing so. Should any difficulty arise, application ought to be made at once to a judge of the Chancery Division of the High Court for direction. This can be effected quite promptly and inexpensively at the cost of the trust estate, by means of an originating summons (q.v.). If the opinion of the judge is acted upon, the trustees indemnify the trustees completely.

There is an idea commonly prevalent that there may be one acting trustee and that the others may be dormant. This is not correct.

This Indenture made the first day of January One thousand nine hundred and thirteen
Between John Jones of White House Longport in the County of Blank here gentleman (hereinafter
called the appointor) of the first part Thomas Smith of Red House Shortport in the County of White
shire gentl man of the second part Alfred Brown of Strong Hill Aston in the county of White-shire
solicitor and Andrew White of Albastion Hall Aston in the County of White-shire of the third part and
the said Thomas Smith Alfred Brown and Andrew White of the fourth part

Whereas Solomon I aacs (deceased) made his Will dated the 10th day of December 1897 and thereby after appointing David Carr Daniel Abrahams (both deceased) and the said Thomas Smith (hereinafter called the Original Trustees) to be his executors and trustees and after bequeathing certain legacies (in part satisfied) devised and bequeathed to the Original Trustees all his real estate and the residue of his personal estate upon trust to sell the real estate (including chattels real) and to call in and convert into money such part of his personal estate as should not consist of money (with power to postpone sale) And out of the money arising thereby and out of his ready money to pay his funeral and testamentary expenses and debts and legacies and to invest the residue of the said money in any of the investments thereby authorised (with power to vary investments) And to trust persons named therein as trustees thereof to receive the income of the investments thereby directed to be made or authorised to be retained and the investments for the time being representing the same Upon the trusts therein mentioned And the said Will contained a power for the Appointor during his life to appoint a new trustee or new trustees thereof

And whereas the testator died on the 12th day of January
altered in said Will which was on the 5th day of April 1906
by the executors therein named

And whereas the Original Trustees sold all and so much of his personal estate as did consist in the rent and out of his ready money paid, and debts and heresies and the death duties payable on the sales and conversion and of his ready money the proceeds of such

And whereas the said David Will
Abraham died on the 12th day of April 1899 and the said David

And whereas the residuary estate of the said David
mentioned in the Schedule here

And whereas the App^{rs} is now represented by the
White to be true trees of the e of the said Thomas Smith
(1st deceased) the said Alfred Brown and And es
the said Carr and Dr of Abraham

And whereas it is appearing the said Affirmed
Schedule hereto shall (if) price of the said Divid Carr and
and execution of the same as practicable the investments mentioned in the
Town and Andrew W. most of and incidental to it preparatory

town and Andrew W. [unclear] son as practical [unclear] of and [unclear] throughout the cost of and [unclear] the joint name of the said [unclear]

contemplated breach of trust, or of what he suspects is likely to be construed as a breach of trust, should take steps to have the trust funds paid into Court and to free himself from the trust.

When all the purposes for which a trust was created have been fulfilled, and before a final distribution of the property is made, the trustees and obtain a formal release from them. They are entitled to have this given to them at the expense of the trust estate. The release should set out all that has been done in respect of the estate, and should be by deed.

A trustee of any property, whether for the use or the benefit of a private person, or for any public or charitable purpose, is liable to be convicted of a misdemeanour and sentenced to penal servitude if he is found guilty of converting or appropriating any part of the trust property to his own use and benefit. No prosecution, however, can be instituted without the consent of the Attorney-General.

TRUSTEE IN BANKRUPTCY. (See also ACCOUNTS OF TRUSTEE).—A "trustee in bankruptcy" is one who is appointed by or on behalf of the creditors of a bankrupt, in order to collect the assets and administer the estate. The position, etc., of a trustee in bankruptcy may be conveniently discussed under the following heads—

(a) Appointment of trustee, (b) remuneration, (c) control over the trustee, (d) vesting of property in trustee, (e) title of trustee, (f) realisation of property by trustee, (g) powers of trustee in dealing with bankrupt's property; (h) release, resignation, and dismissal.

(a) **Appointment of Trustee.** The trustee may be appointed either by the creditors or by the Board of Trade. After a debtor has been adjudged bankrupt, or the creditors have resolved that he be so adjudged, they may, by ordinary resolution, either appoint some fit person, whether a creditor or not, to be trustee, or they may resolve to leave his appointment to the committee of inspection. (See COMMITTEE OF INSPECTION). They may, if they think fit, appoint more persons than one to the office of trustee, and may also appoint persons to act as trustees in succession in the event of one or more of the persons first named declining to accept the office of trustee or failing to give security, or not being approved of by the Board of Trade. The trustee must give security to the satisfaction of the Board of Trade. That body, if satisfied with the security, must approve the appointment, unless it has not been made in good faith by a majority in value of the creditors voting, or unless the person appointed is not fit to act as a trustee, or his connection with or relation to the bankrupt or his estate, or any particular creditor, makes it difficult for him to act with impartiality. The fact that a man had been previously removed from the office of trustee in bankruptcy for misconduct would be sufficient to prevent his being appointed. If the Board of Trade object to the appointment of a particular trustee, the matter may be referred to the High Court. The official receiver acts as trustee until the proper trustee is appointed, during any vacancy in the office in small bankruptcies, and in the administration of the estate of a deceased insolvent. If the creditors do not appoint a trustee within four weeks of the adjudication, or in the event of negotiations for a composition or scheme being pending at the end of those four weeks, then within seven days from the close of those

negotiations, the official receiver must report the matter to the Board of Trade. The Board must thereupon appoint some fit and proper person to be trustee, and must certify his appointment. The appointment of a trustee by the Board may, however, be purely temporary, for the creditors (or the committee of inspection, if so authorised) may at any subsequent time themselves appoint a trustee. Upon such appointment being made and certified, the person appointed by the Board of Trade is supplanted.

If the office of trustee becomes vacant, the creditors may appoint a person to fill the vacancy, and thereupon the same proceedings are taken as in the case of a first appointment. The official receiver summons the necessary meeting, and if the creditors do not within three weeks appoint a person to fill the vacancy, the Board of Trade may do so.

(b) **Remuneration.** Where the creditors appoint any person to be trustee, his remuneration (if any) is fixed by an ordinary resolution, or, if the creditors so resolve, by the committee of inspection. It is in the nature of a commission or percentage, of which one part is payable on the amount realised (*i.e.* the amount realised by the trustee) after deducting any sums paid to secured creditors out of the proceeds of their securities, and the other part on the amount distributed as dividend.

It must be made clear by the resolution what is included in remuneration, for no liability can attach to the bankrupt's estate or to the creditors in respect of any expenses which the remuneration is expressed to cover. In voting the remuneration of the trustee, the creditors or the committee, as the case may be, must distinguish between the commission or percentage payable on the amount realised, and the commission or percentage payable on the amount distributed in dividend. Where the resolution has been passed and the trustee has done work under it, neither the creditors nor the committee can reduce the remuneration simply by another resolution. A trustee cannot accept from the bankrupt or any person employed about a bankruptcy, any gift, or benefit beyond his ordinary remuneration, nor can he give up any part of his remuneration about a bankruptcy. If one-fourth in number or value of the creditors dissent from the resolution as to remuneration, or the bankrupt satisfies the Board of Trade that the remuneration is unnecessarily large, the Board must fix the amount of the remuneration.

If the trustee acts without remuneration, he is allowed expenses incurred by him out of the bankrupt's estate, and if he is a solicitor, he may contract that the remuneration for his services as a trustee shall include all professional services. In that case, however, his remuneration must still be in the nature of a commission or percentage.

Acting as "the trustee of the property of A B, a bankrupt," the trustee may hold property, make contracts, sue and be sued, enter into engagements binding on himself and his successors, and do all other acts necessary in the execution of his office. He must have regard to the wishes given by the creditors at any general meeting of the committee of inspection, and in ascertaining their wishes at such times as the committee may appoint.

may direct or whenever requested in writing to do so by one-fourth in value of the creditors. He may apply to the court for directions in relation to any particular matter arising under the bankruptcy. Application to the court should not however be lightly made as the estate may have to pay costs if the application is abortive and if the assets are insufficient the trustee may be made personally responsible. Where the trustee in the exercise of his discretion refuses to take legal proceedings for the assertion of his rights as trustee of the bankrupt's property a creditor on giving an indemnity may be allowed to do so in his name. Subject to the provisions of the Bankruptcy Act the trustee must use his own discretion in the management of the estate and its distribution among the creditors.

(c) Control over the Trustees. If the bankrupt or a creditor or other person is aggrieved by an act or decision of the trustee he may apply to the court and the court may make such order as it thinks just. Again if the Board of Trade is of opinion that any act done by a trustee or any resolution passed by a committee of inspection should be brought to the notice of the creditors for the purpose of being reviewed or otherwise the official receiver may summon a meeting of creditors to consider the same. The expense of summoning such meeting must be paid by the trustee out of any available assets under his control.

The Board of Trade takes cognizance of the conduct of trustees and in the event of any trustee not faithfully performing his duties or in the event of any complaint being made by any creditor in regard thereto the Board must inquire into the matter and take such action thereon as may be deemed expedient.

The Board may require any trustee to answer any inquiry made by them in relation to any bankruptcy in which he is engaged and may apply to the court to examine on oath the trustee or any other person concerning the bankruptcy and may also direct a local investigation to be made of his books and vouchers.

(d) Vesting of Property in Trustee. Until a trustee is appointed the official receiver is the trustee for the purposes of the Bankruptcy Act and immediately on a debtor being adjudged bankrupt the property of the bankrupt vests in the official receiver.

On the appointment of a trustee the property forthwith passes to and vests in the trustee so appointed.

The property of the bankrupt passes from trustee to trustee and vests in the trustee for the time being during his continuance in office without any conveyance assignment or transfer whatever.

The certificate of the appointment of a trustee is deemed in law to be a conveyance or assignment of property and may be registered entitling and recorded accordingly.

(e) Title of Trustee. The important question which does the trustee's title begin? must next be considered. It is manifest that to fix the date for the commencement of the trustee's title with absolute certainty would be to open the door to fraud. For instance if it was the date of the receiving order a debtor who was about to file his own petition might easily divest himself of his property before that day. To prevent any such fraud the legislature has provided that the trustee's title to the bankrupt's property shall accrue at the date of the bankruptcy. Thus the bankruptcy of a

debtor whether the same takes place on his own petition or upon that of a creditor or creditors shall be deemed to have relation back to and to commence at the time of the act of bankruptcy being committed on which a receiving order is made against him or if the bankrupt is proved to have committed more acts of bankruptcy than one to have relation back to and to commence at the time of the first of the acts of bankruptcy proved to have been committed by the bankrupt within three months next preceding the date of the presentation of the bankrupt's petition but no bankruptcy petition receiving order or adjudication shall be rendered invalid by reason of an act of bankruptcy anterior to the debt of the petitioning creditor. It follows from this that subject to certain exceptions the trustee may claim property which becomes due to the debtor after the date of the act of bankruptcy. Again persons who continue to deal with and receive money from the debtor may find themselves compelled to refund that money to the trustee.

Where a receiving order is made in a small bankruptcy (see SMALL BANKRUPTCIES) the bankruptcy relates back to and commences at the date of the order unless the debtor is proved to have committed any previous act of bankruptcy. In that case the bankruptcy relates back to and commences at the time of the first of the acts of bankruptcy committed by the debtor within three months next preceding the date of the order. There are certain exceptions to the doctrine of relation back. Thus if a creditor has completed an execution before the receiving order and before notice of a petition or of an available act of bankruptcy he may retain the proceeds thereof against the trustee (SEE EXECUTION CREDITOR). Again a person dealing with the bankrupt before the date of the receiving order for valuable consideration and without notice of an act of bankruptcy is protected (SEE PROTECTED TRANSACTIONS). Solicitors who are consulted by a prospective bankrupt are also protected. Thus if a debtor pays ready money to a solicitor in order to defray the necessary legal expenses which may be incurred in opposing a petition the trustee cannot make the solicitor refund the money.

But the exception will only apply to the case of ready money paid over and not to money in the hands of the solicitor or agent and a payment made by the bankrupt to an accountant for work done with a view to a composition arrangement which was not completed was held not good against the trustee. Finally the trustee has a discretion to adopt and pay for such of the services rendered as may have been useful to the creditors but he must be very strict in doing so and must go through the item only paying for those he is clearly satisfied have been so rendered that a ben fit has resulted to the creditors.

(f) Real Allot of Property by Trustee. The trustee must take possession of the deeds, books and documents of the bankrupt and all other parts of his property capable of manual delivery. In this regard he is in the same position as if he were a receiver of property appointed by the High Court and the court may on his application give him power to acquire and retain property. No one can sue against the trustee without possession of all or part of any lien on books of account belonging to the debtor. If part of the property consists of stocks, shares in shares or any other property transferable in the books of any company off the

or person, the trustee may exercise the right to transfer the property to the same extent as the bankrupt might have exercised it if he had not become bankrupt. If the bankrupt owns property of copyhold or customary tenure, or any like property passing by surrender and admittance, or in any similar manner, the trustee need not be admitted to the property, but may deal with it in the same manner as if it had been capable of being and had been duly surrendered or otherwise conveyed to such uses as the trustee may appoint, and any appointee of the trustee must be admitted to or otherwise invested with the property accordingly.

Any treasurer, banker, attorney, or agent of a bankrupt must pay and deliver to the trustee all moneys and securities in his possession or power as such officer, banker, attorney, or agent, which he is not by law entitled to retain as against the bankrupt or the trustee. If he does not, he is guilty of contempt of court.

(g) Powers of Trustee in Dealing with Bankrupt's Property. The trustee can exercise certain powers in relation to the bankrupt's property without the authority of the creditors or the committee of inspection. He may—

(1) Sell all or any part of the property of the bankrupt (including the goodwill of the business, if any, and the book debts due or growing due to the bankrupt) by public auction or private contract, with power to transfer the whole thereof to any person or company, or to sell the same in parcels.

(2) Give receipts for any money received by him, which receipts shall effectually discharge the person paying the money from all responsibility in respect of the application thereof.

(3) Prove, rank, claim, and draw a dividend in respect of any debt due to the bankrupt;

(4) Paying due regard to the wishes of the creditors exercise powers of attorney, deeds, or other instruments for the purpose of carrying into effect the provisions of the Bankruptcy Act, and

(5) Deal with any property to which the bankrupt is beneficially entitled as tenant in tail in the same manner as the bankrupt might have dealt with it.

He may not nor may any member of the committee of inspection, while acting as trustee or member of such committee, except by leave of the court, either directly or indirectly, by himself or any partner, clerk, agent, or servant become purchaser of any part of the estate. Such purchase may be set aside by the court. A sale to a brother and alleged partner of the trustee has also been set aside under this rule.

Subject to his obtaining the consent of the committee of inspection, in each instance the trustee exercises certain powers. Thus he may—

(a) Carry on the business of the bankrupt so far as may be necessary for the beneficial winding-up of the same. It is to be observed that creditors cannot insist on an immediate sale unless some particular damage can be proved, and where a majority of creditors desire to carry on the business, their resolution is not binding on the minority, who may apply to the court to have the resolution declared invalid.

(b) The trustee may also bring, institute, or defend any action or other legal proceedings relating to the property of the bankrupt, (*Note*—A trustee who brings an action for the benefit of the estate need not give security for costs, although he is insolvent in circumstances.)

(c) Employ a solicitor or other agent to take proceedings or to do any business which may be sanctioned by the committee of inspection, and if he has duly obtained the sanction of the committee to the appointment he will not be liable for the liabilities of the solicitor.

(d) Accept as a consideration for the sale of any property of the bankrupt a sum of money payable at a future time, subject to such stipulations as to security and otherwise as the committee think fit;

(e) Mortgage or pledge any part of the property of the bankrupt for the purpose of raising money for the payment of his debts;

(f) Refer any dispute to arbitration, compromise all debts, claims, and liabilities, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or supposed to subsist between the bankrupt and any person who may have incurred any liability to the bankrupt on the receipt of such sums, payable at such times and generally on such terms as may be agreed on;

(g) Make such compromise or other arrangement as may be thought expedient with creditors or persons claiming to be creditors in respect of debts provable under the bankruptcy;

(h) Make such compromise or other arrangement as may be thought expedient with respect to any claim arising out of or incidental to the property of the bankrupt made or capable of being made on the trustee by any person or by the trustee on any person. Such a compromise, however, may be over-ruled by the creditors.

(i) Divide in its existing form among the creditors, according to its estimated value, any property which from its peculiar nature or other special circumstances cannot be readily or advantageously sold.

(j) Appoint the bankrupt to superintend the management of the property or of any part thereof, or to carry on the trade (if any) of the bankrupt for the benefit of creditors, and in any other respect to aid in administering the property in such manner and on such terms as the trustee may direct.

(k) The trustee may also from time to time, with the permission of the committee of inspection, make such allowance in money as he may think just to the bankrupt out of his property for the support of the bankrupt and his family, or in consideration of his services, if he is engaged in winding up the estate, but any such allowance may be reduced by the court.

(l) **Release, Resignation, and Dismissal.** When the trustee has realised all the property of the bankrupt, or so much thereof as can be realised without protracting the trusteeship, and has distributed a final dividend, if any, or has ceased to act by reason of a composition having been approved, or has resigned, or has been removed from his office, the Board of Trade must on his application, subject to the consideration of a report as to his accounts, etc., either grant or withhold the release, subject nevertheless to an appeal to the High Court.

The release of the trustee does not prevent the court making an order upon him in consequence of his refusal to pay a dividend. Before making application to the Board for his release, the trustee must give notice to all the creditors who have proved their debts, and to the debtor, and must send with such notice a summary of his receipts and payments as trustee. Where, however, he ceases to act by reason of a composition having

been approved he need only give notice to the debtor. The release of a trustee entered in the *Gazette* and does not take effect until he has delivered over all books, papers and documents to the official receiver.

If the release of a trustee is withheld the court may on the application of any creditor or person interested make such order as it thinks just, charging the trustee with the consequences of any act or default he may have done or made contrary to his duty. Release discharges the trustee from all liability in respect of any act done or default made by him in the administration of the affairs of the bankrupt or otherwise in relation to his conduct as trustee but any such order may be revoked on proof that it was obtained by fraud or by suppression or concealment of any material fact.

Where the trustee has not previously resigned or been removed his release operates as a removal from his office and the official receiver is then the trustee. The creditors may remove a trustee appointed by them and may appoint another person to fill the vacancy as provided in case of a vacancy of the office of trustee.

If the Board are of the opinion that a trustee appointed by the creditors is guilty of misconduct or fails to perform his duties under the Act, the Board may remove him from his office. But if the creditors by ordinary resolution disapprove of his removal he or they may appeal against it to the High Court.

If a receiving order is made against a trustee he then vacates his office but in that case if the receiving order is rescinded on the ground that it should never have been made he will be restored to office if no other trustee has been appointed in the meantime. A trustee intending to resign must call a meeting of creditors to consider whether his resignation shall be accepted or not and he must give not less than seven days' notice of the meeting to the official receiver.

TRUST RECEIPT.—Money is often advanced by bankers on the security of bills of lading, but it is not always to the advantage or the convenience of the banks that they should personally deal with the bills. Certain banks therefore permit their customers to retain the bills of lading on their signature what is called a trust receipt which is a document in which an acknowledgment is made of the holding of the bills of lading as the property of the banker and also in which there is an undertaking to keep the goods mentioned in the bills of lading warlike used in the name of the bank as and when they are sold, to hand over the proceeds to the bank. The holders of the bills of lading then become trustees of the goods for the bank.

TRUST SAVINGS BANKS.—(See *SAVINGS BANKS*.)

TRUST SECURITIES.—The law is not as clear as it once was when a person could hypothecate his real or personal estate in order to obtain a loan. The law is now more complicated and the security is more difficult to obtain. The law is now more complicated and the security is more difficult to obtain. The law is now more complicated and the security is more difficult to obtain.

part of trustees' executors and others by foolish investment in rubbishy mining shares and in speculative securities (if such exist) which might too easily jeopardise the safety of the capital entrusted to their care. Obviously therefore these securities within the charmed circle of trustee stocks would be those enjoying a greater degree of safety than the majority of outside stocks although it must be regretfully be stated that this fact has not prevented heavy depreciation in many of the stocks thus chosen.

The various Acts covering trustee funds were consolidated and amended by the Trusts Act of 1833 according to which under section 1 (1) the stocks in which trustees may invest are those of which they have the control and the following:

- (a) Government securities, public and Parliamentary stocks of the United Kingdom.
- (b) Real or heritable securities in Great Britain or Ireland (but not on equitable or second mortgages leaseholds or mortgages of underholdings).
- (c) Bank of England and Bank of Ireland stock.
- (d) Indian Government securities.
- (e) Securities the interest on which is guaranteed by Parliament.

(f) Metropolitan Board of Works stock and County Council stock and Metropolitan District Debenture stock.

(g) Debenture stock charge guaranteed for preference stocks of any railway in the United Kingdom if the dividend for the last ten years has been not less than 3 per cent per annum on the ordinary stock.

(h) Stock of any railway or canal company leased for not less than 200 years at a fixed rent to any railway company under (g).

(i) Debenture stock of any London railway the interest on which is paid or guaranteed for 20 years on which a fixed or running interest is being guaranteed by the Indian Government or upon the capital of which the interest is so guaranteed.

(j) Bonds of the Eastern Bengal and Indian, and the Indian and British India and any like agencies charged on the revenue of India also on deferred annuities and on the annuities of the East India Railway.

(k) Debentures guaranteed or preferred stocks of any incorporated water company in Great Britain which has for the last ten years paid a dividend not less than 5 per cent on the ordinary stock.

(l) Mineral stocks of works of the British India and the Indian and British India and any like agencies charged on the revenue of India also on deferred annuities and on the annuities of the East India Railway.

(m) Water stocks of works of the British India and the Indian and British India and any like agencies charged on the revenue of India also on deferred annuities and on the annuities of the East India Railway.

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Productions and Industries. *Agriculture*, though the mainstay of the people, is in a backward and primitive state. Only a small proportion of the arable land is under cultivation, and thus is not made to yield even half the returns that might be expected from the nature of the soil. Tithes on all produce, customs dues on the exportation of produce from one province to another, and the want of roads and means of conveyance leave little inducement to the farmer to put forth great efforts. Among the chief products raised are cereals (wheat, barley, oats, and maize), tobacco, flax, hemp, opium, olive, roses (for attar or oil of roses), grapes, and other "Mediterranean" fruits. The mulberry tree is grown, and the rearing of silkworms is of importance. Honey and wax figure in the exports. In Albania, agriculture is confined to the valleys opening to the Adriatic, as the karst country, though receiving a great rainfall, allows little to remain at a depth suited to plant growth, and prohibits irrigation.

The Pastoral Industry. Naturally in the mountainous tracts the pastoral industry is of importance. Horses, mules, goats, and sheep are reared, and wool and mohair are important exports.

Forestry. The forests are of small extent now, occupying only about 3,500,000 acres. They contain pines, larches, firs, oaks, and cedars. The destruction of the forests allows the rapid removal of the soil by rain and streams, and is thus detrimental to agriculture. Afforestation would be an advantage.

The Fishing Industry. The fisheries are of some importance, especially those of the Bosphorus, and the sponge fisheries of the Mediterranean. Fishing methods are antiquated.

The Mining Industry. Turkey is rich in minerals, but they are little worked. Copper is found in the Rhodope Mountains, marble in Mount Athos, and manganese round Kassandra. Salt is produced on the shores of the Adriatic and Aegean Seas. Mining concessions from the Government are hard to obtain.

The Manufacturing Industries. Manufactures are mainly of the domestic type, and of local importance. Turkey still manufactures silk, textiles, carpets, and leather, but her imports of manufactured goods are great. Even the Turkish fez, the emblem of nationality, is largely manufactured abroad. There are a few cotton, silk, and woollen mills at Constantinople and Salonika, and Adrianople manufactures carpets, silk-textiles, and attar of roses. Concessions have recently been granted for the manufacture of glass and paper.

Communications. Roads are poor, and difficult to construct and keep in order, and river traffic is small. The chief railways are (1) The Orient Express Route from Vienna and Buda-Pesth by Belgrade, Sofia, Philippopolis, and down the Maritza Valley to Adrianople and eastwards to Constantinople, and (2) the route from Nish (Serbia) by the Vardar Valley to Salonika. A line, joining these two routes, allows communication between Salonika, Adrianople and Constantinople. From Salonika there is a short line to Monastir. Railway construction in Turkey has been undertaken mainly for purposes of war and order.

Commerce. The Turk has a strong dislike to trade, and leaves it largely to the Greeks, Jews, and Armenians. In spite of its very favourable geographic conditions, Turkey has only a small transit and shipping trade, and two-thirds of its foreign trade consists of imports. Its chief ports are Constantinople on the Bosphorus, Salonika on the Gulf of Salonika, Dede Agach on the Aegean Sea, Rodosto on the Sea of Marmora, Gallipoli on the Dardanelles, Durazzo on the Adriatic Sea, and Prevesa on the Ionian Sea. The first three ports mentioned are much the most important. Through Constantinople passes a large proportion of Asia Minor produce. The chief exports are grapes (raisins), silk, wheat, barley, maize, opium, valonia, hides, skins, wool, mohair, figs, olive oil, carpets, nuts, sponges, honey, wax, and tobacco. The chief imports are cotton cloth, sugar, cotton-yarn, quilting, coffee, petroleum, rice, woollen goods, hardware, coal, and machinery. Most trade is done with Great Britain, Austria-Hungary, France, Holland, Germany, Russia, Italy, Bulgaria, and Belgium.

Trade Centres. The three most important cities are Constantinople (1,200,000), Salonika (160,000), and Adrianople (90,000).

Constantinople, built round the fine natural harbour of the Golden Horn, is the capital and chief stronghold of Mohammedan power in Europe. Its splendid position between two continents and two seas gives it great strategic and commercial importance. The city has four parts: (1) Stambul, the purely Turkish quarter, containing the mosques, public offices, and principal bazaars, (2) Pera, the European quarter, where the ambassadors reside, (3) Galata, the business quarter, and (4) Scutari, the Asiatic quarter. The trade of Constantinople is chiefly in the hands of foreigners. Its chief exports are of Asiatic origin, and include mohair, cereals, and gums from Anatolia, and rugs, carpets, and hand-made textiles from Persia and Armenia.

Salonika (ancient Thessalonica), on the Gulf of Salonika, is the second port, and the outlet for the Vardar Valley. It manufactures silk and leather, and has a large railway trade with northern Europe. Its exports include wheat, olives, raw silk, maize, wool, sponges, and tobacco. Trade is largely in the hands of Jewish merchants.

Adrianople, at the confluence of the Tunja and Maritza, is at the crossing of several routes, and has therefore become an important trade centre. It guards the route to Constantinople, and has an important domestic trade with the interior towns. Its manufactures include the making of carpets, silk-textiles, and attar of roses.

Dede Agach, near the mouth of the Maritza, exports Bulgarian wheat.

Gallipoli, at the inner end of the Dardanelles, is the chief naval station.

Monastir stands at the northern end of a depression between the Macedonian and Albanian Highlands, and is a route centre.

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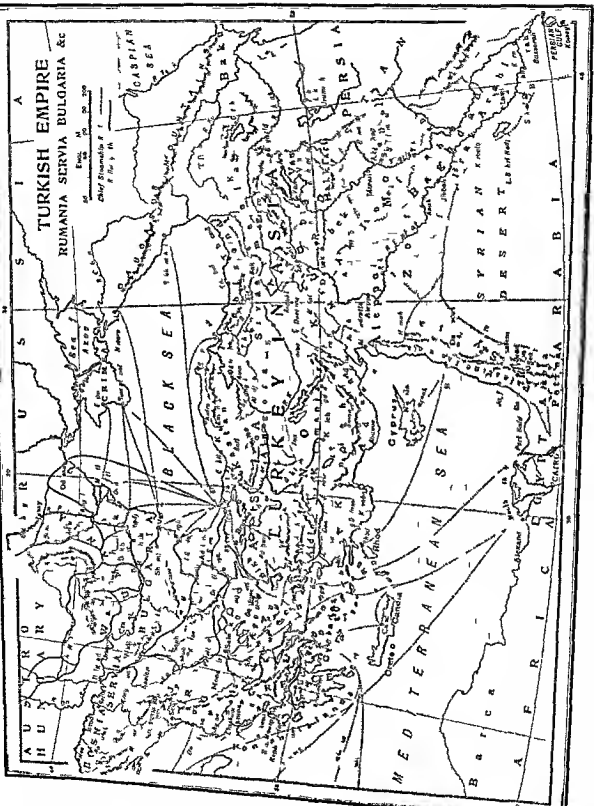
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TURKISH EMPIRE

RUMANIA SERVIA BULGARIA &c

Scale
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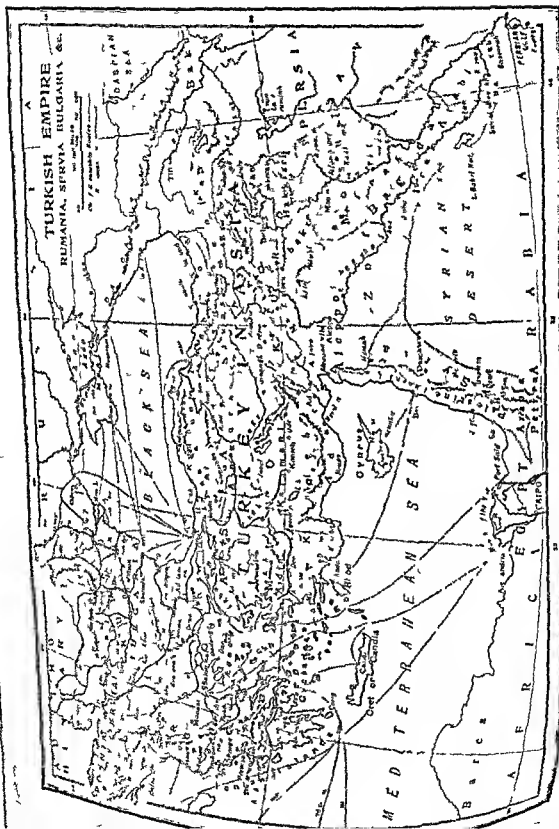
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chief railway lines run from Smyrna and Haidar-Pasha. From Haidar-Pasha, the new port near Scutari, a line runs to Eskishehr, where a branch goes to Angora, the main line continues to Konia and Eregh, and has been extended to Bulgarlia, at the foot of the Taurus. The further extension of this line to Adana, Mosul, and Bagdad, and further to a port on the Persian Gulf, will be the Bagdad Railway, which has excited much interest for some years past. The main line from Smyrna connects with the Haidar-Pasha line at Afion Karahissar. Other lines are: (1) Mersina to Tarsus and Adana, (2) Smyrna to Ephesus, Aidin, and Dineir, (3) Smyrna to Manisa and Aleshehr, and (4) Mudama to Brusa. Considerable development of industries may be expected to follow the extension of railways.

Commerce. Asia Minor trade is not of great importance. Disadvantages are the system of government (promising improvement now), the build of the country, and the character of the inhabitants. It, nevertheless, occupies a good geographical position for trade, being the bridge between Europe and Asia, and in ancient times it occupied a higher position. The invading hordes, that swept over it to Europe, have left their traces in the mixture of races. Most of the trade is in the hands of the Greeks and Armenians, and most foreign trade is done with the United Kingdom, but important trade is also carried on with Austria, France, Greece, Russia, and Persia. Produce exported to Europe from the Anatolian Black Sea ports and from Scutari and Ismid largely passes through Constantinople. The chief ports are Smyrna on the Ægean Sea, Scutari and Haidar-Pasha on the Bosphorus, Ismid on the Sea of Marmora, Sinope, Samsun, and Trebizond on the Black Sea, and Adalia, Mersina, Marmarice, and Makri on the Levant. The principal exports are raisins, valonia, figs, wine, liquorice, wheat, barley, opium, meerschaum, wool, metals, ores, gum tragacanth, mohair, carpets, rugs, beeswax, tobacco, sponges, drugs, hides, raw silk, boxwood, timber, and yellow berries. The chief imports are textiles (cotton, wool, and linen), iron goods, petroleum, coal, and sugar.

Trade Centres. The chief trade centres are the ports and route-centres. As regards population, the principal towns are Smyrna (210,000), Brusa (77,000), Kaisariyeh (73,000), Adana (46,000), and Konia (45,000).

Smyrna, on the Gulf of Smyrna, is the chief port and commercial centre of Asia Minor. The greater percentage of its inhabitants are Greeks. From it railway and caravan routes diverge eastwards across the tableland. It possesses a fine, natural harbour, and its exports include all representatives of Anatolian produce. Vessels of the Cunard, Leyland, and Messageries Maritimes lines visit the harbour, and there is cross communication with Brindisi. Smyrna has suffered greatly from earthquakes and plagues.

Brusa, in the north-west, is a railway and route centre, commanding the pass below Mount Olympus. It has famous silk manufactures, and is noted for its hot iron and sulphur springs.

Kaisariyeh (Cæsarea) stands at the foot of Mount Argæus, and commands the roads leading by easy passes across the Anti-Taurus. It has been a trade centre since the dawn of history.

Adana, in the south, on the Seihun, is a route and railway centre; it commands the pass of the Cilician Gates, and is a rural district.

Konia (Iconium) is on the main railway line, and commands routes to the south.

Trebizond, on the south-eastern coast of the Black Sea, the fourth commercial town of Asia Minor, is the centre of the transit trade from Persia. It exports wool, mohair, skins, gall nuts, wax, gums, and shawls. Russian railways are now diverting traffic from Trebizond.

Angora, north of Tuzla Gol, is noted for fruit, honey, and mohair cloth. From it an important route goes to Erzerum.

Sivas, in the valley of the Kızıl Irmak, is the centre of an important wheat-growing district.

Scutari, on the Bosphorus, is an important port, and a suburb of Constantinople. It manufactures leather and silk goods.

Samsun, on the Black Sea, is the outlet for the wheat of the Sivas district.

Adalia and **Mersina** are the ports for the produce of the south.

Mamissa is a railway town, and commands the Gediz Chai valley.

Aidin is in a rich mining district, and commands the Mandare valley.

Anatolian Islands. The Turkish Islands of the Ægean Sea form a separate province of Anatolia. Among the most famous of these islands are Samos (almost independent), Rhodes, Chios, Tenedos, Lemnos, Mitylene, Icaria, Patmos, Leros, Kalymna, Kos, Nisyros, Syme, Karpethos, and Kasos. They are renowned in fable and story, and have formed links of commerce between Asia and Europe since early times. Their total area is about 2,660 square miles, and their population numbers about 350,000. Greeks are the chief inhabitants.

Production and Industries. Some of the islands are very fertile, while others are masses of volcanic rock, rising abruptly from the sea, and are practically unproductive. Sponge-fishing is the chief industry, fruit, olive oil, wine, raisins, and mastic are produced. All the principal islands have steamer communication with Greece and the ports of Asia Minor.

Samos is a prosperous and fertile island. Its most active industries are the manufacture of wine, olive oil, cigarettes, leather, and brandy. It is governed by its own prince, and merely pays a tribute to the Porte. In former times it was the centre of Ionian luxury, art, and science.

Rhodes, the most eastern Ægean island, is only partially cultivated. It has played a conspicuous part in history, and Rhodes, its capital, was one of the most magnificent cities of antiquity. Near the entrance to its harbour stood the bronze "Colossus of Rhodes." This island was occupied by the Italians in 1912, but it remains to be seen what will be the ultimate effect of this occupation.

Mitylene, lying between the Dardanelles and the Gulf of Smyrna, possesses two good harbours, and is fertile and prosperous. It was the birthplace of Alcæus and Sappho.

Chios, or **Scio**, the most fertile of the islands, is the reputed birthplace of Homer—"the blind old man of Scio's rocky isle."

IV TURKISH ARMENIA AND KURDISTAN
Position, Area, and Population. Turkish Armenia and Kurdistan lie between Caucasia and Mesopotamia, having Anatolia on the north and north-west and Persia on the east. Their area is nearly 60,000 square miles, and their population about

2,000,000. Kurds, Persians and sedentary and Armenian traders and farmers are the chief inhabitants.

Soil. Both countries form a high plateau between 4000 and 7000 ft. in height which is crossed by mountain ranges running from east north-east to west-south-west. Three empires—the Russian, Turkish and Persian—meet at the lofty volcanic cone of Ararat (17,160 ft.) at the foot of which, as tradition asserts, the Garden of Eden lay. In the centre lies the fertile volcanic district of Van with its salt lake—600 square miles in area. Deep and narrow valleys, wide plains, rolling prairies, barren wastes, luxuriant pastures and gloomy mountain masses make up the principal physical features of the plateau. The chief rivers are the Aras, flowing to the Caspian, and the Euphrates and Tigris, flowing to the Persian Gulf.

Climate. The climate is one of extremes—the winters keen and very severe and the summers short and hot. Winds from the Black and Mediterranean Seas striking the mountain ranges deposit a supply of rain sufficient for agriculture and the low slopes of the mountains are well grassed.

Production and Industries. Agriculture is in a primitive state and there is a constant struggle between the settled Armenian farmers and the wild nomadic pastoralists. The land is capable of much more cultivation but Turkish Government is not encouraging. Grain, tobacco, cotton and grapes are grown in the sheltered valleys. The pastoral industry is naturally important, sheep and goats being fed in large numbers. Forests of oak, walnut and ash cloth the lower mountain slopes but forestry is little developed. Miners may develop when railway facilities are provided. Manufactures are represented by leather at Erzerum and carpets and rugs at Bitlis.

Communications and Trade. Roads are poor and railways lacking. Goods are conveyed by mule or camel caravans to Anatolian ports and sent east and rafted down the Tigris to Mesopotamian river ports. The chief exports are wool, grain, hides and fruit and the chief imports are sugar, coffee and textiles. The frontier trade is with the United Kingdom (by Anatolian and Mesopotamian ports) and Persia.

Trade Centres. Erzerum (39,000) is the principal town. It is an important fortress and caravan centre.

Van, Bitlis and Mush are other centres.

MESOPOTAMIA. Fossilium, Aras and the population of Mesopotamia (the land between the rivers) stretches from the Armenian plateau to the Persian Gulf. Westwards it is bounded by the Syrian desert and eastwards by the mountains forming the Persian plateau. The area of its borders is 157,730 square miles and its population is about 1,000,000. Arabs, sedentary and nomadic, form the bulk of the inhabitants.

Build Mesopotamia proper the land between the Tigris and Euphrates is an almost unbroken alluvial plain opening to the Persian Gulf. Low ranges of hills cross the great plain of Upper Mesopotamia. Much of the region may be said to be formed by the two great rivers the Tigris and Euphrates which drain it. At Kurna the two rivers unite forming the Shatt-el-Arab which empties itself into the Persian Gulf. The delta of the Shatt-el-Arab is centred upon a wide plain but the land is hable to

Climate. The climate is mild in winter and very hot in summer. Irrigation is a prime necessity in much of the region owing to the small rainfall.

Production and Industries. Mesopotamia has been at various periods of history the seat of brilliant civilisation dependent on an artificial product. Great irrigation works exist and the Euphrates was controlled. Now little irrigation is practised and the Euphrates has spread out into wide marshes. Doubtless when the inhabitants feel the need of a strong government and when railway facilities have been developed Mesopotamia will regain some of its past glory. Sir William Veale estimated that between 4000 and 4500 square miles could be reclaimed with a high profit. Cereals, dates, gum, and rice are the chief agricultural products but cotton and sugar cane might be raised in important quantities. Arab nomads roam from tract to tract with their horses and sheep and hides and wool are largely exported. The future may see the utilisation of the rich petroleum supplies and Baku may find in Mesopotamia a serious rival. Fearful fish in the Persian Gulf is important.

Communications. Land transport by mule or camel. The Tigris and Euphrates are important means of communication. Ocean steamers can ascend to Basra (Bassorah) on the Shatt-el-Arab. River steamers to Basra from the Tigris and smaller boats to Mosul. Between Diarbekir and Baghdad passengers and goods are conveyed on rafts of inflated sheep-skins. Britain largely controls the trade of the Persian Gulf and British steamers ply between Basra and Aden. At the present time there seem excellent prospects that the Baghdad Railway, a continuation of the Anatolian railways through Adana, Urfa, and Mosul to Baghdad will be constructed by the Germans. Its further extension probably either to Koweit or the Khôr Abdullah on the Persian Gulf is more uncertain. The value of this railway to Mesopotamia and as a route to India cannot yet be estimated in all fulness but it will certainly restore some of Mesopotamia's lost greatness.

Commerce. Most foreign trade is with the United Kingdom, Persia and India. The chief exports are cereals, dates, wool, rice, hides and gum and the principal imports are sugar, textiles, indigo, coffee, iron and copper.

Trade Centres. The chief towns are Baghdad (1,000,000), Mosul (62,000) and Diarbekir (35,000).

Basra, at the head of the Tigris, once the capital of the Mahometan world and the city of Harûn-er-Rashid has lost much of its former wealth. It is at the head of steam navigation and has an excellent position for inland trade. It manufactures leather and trades with Aleppo and Damascus. Its trade in silk, cotton and leather goods is large.

Mosul, opposite the ruins of Nineveh, is still an important town though much of its greatness has departed. It exports gall nuts and has much manufacturing.

Basra, at the head of raft navigation on the Tigris and commands the trade between Upper Mesopotamia and the highland regions of the north. It manufactures silk textiles.

Basra (Bassorah) on the Shatt-el-Arab is the port for ocean steamers. (River steamers transport their cargo to ocean steamers.) Its export of dates is important. The British Tigris and Euphrates Steamship Company is reviving its trade.

Urfa, Harran, Kerbela and Aneke are other centres.

VI SYRIA WITH PALESTINE Position, Area, and Population. Syria, which includes Palestine, stretches southward from Anatolia to Arabia and the Sinai peninsula. Its western boundary is the Mediterranean Sea and its eastern the valley of the Euphrates. The northern region is Syria in the narrow sense, while the southern part is generally called Palestine. The area of the whole country is 111,530 square miles, and its population is about 3,000,000. Most of the people speak Arabic, and are Mahometans in religion. Turks, Mongols, Arabs and Persians are all represented in the mixture of Syrian races. If considerations are given to the facts that Syria (especially Palestine) was the commercial centre of the Old World, one of the first centres of inland sea-traffic, the natural route between Egypt and Mesopotamia, and the scene of many conquests, it is easy to see why its races are so varied.

Coast Line. The Syrian coast stretches from north to south with scarcely a bend, towards the north it is rocky, while towards the south it is low, and in some places sandy. There are no good harbours, but several open roadsteads and ports, are visited by steamers. Haifa, sheltered by the bold headland of Mount Carmel, is the best sheltered, but Beirut and Iskanderiun or Alexandretta carry on most trade. Latakia, Tripoli, and Jaffa are not of great importance.

Build. The build of Syria is threefold, comprising a coastal plain of varying width, two parallel mountain ranges running north and south enclosing the remarkable depression of El Ghor, and a high eastern plateau falling gradually to the Syrian desert and the Euphrates River. West of the rift valley (El Ghor) the tableland approaches the sea, rising to heights of over 10,000 ft in the Mountains of Lebanon. East of El Ghor the tableland falls steeply on either side, the highest part forming the Anti-Lebanon Range. In the north the coastal plain is small and narrow, but south of Mount Carmel the hills receding from the shore leave room for the broad, fertile lowlands of Sharon and Philistia. South-east of Mount Carmel the plain of Esdraelon allows easy access to the Jordan Valley. The basaltic district of Hauran, with its fertile soil, lies east of the Jordan, and is connected with the rift. Among the rivers the most notable is the Jordan, rising west of Mount Hermon, and flowing into the Dead Sea, 1,300 ft below sea-level. The Orontes and the Leontes rise near each other between Lebanon and Anti-Lebanon, and cut their way westward to the Mediterranean.

Climate. The coastal plain and Mediterranean slopes enjoy a mild and genial climate, not unlike that of Southern Italy, but the Jordan rift has an almost tropical climate. East of the Jordan the climate becomes continental. The rainfall is sufficient for agriculture on the Mediterranean land, and even on the hills of Gilead beyond the Jordan, but on the eastern plateau the small rainfall, the difficulties of irrigation, and the intense summer heat result in a pastoral region. East of the plateau poor grass land merges into the desert. The northern mountains receive heavy falls of snow, which freeze the Jordan and the Orontes.

Production and Industries. Agriculture is of great importance, but again the effects of Turkish government are clearly seen. The soil, though remarkably fertile in many parts, is neglected. Terraced hillsides have fallen into ruin, and tanks and cities give evidence of past irrigation

agriculture. Years must elapse before the country can recover from the neglect of centuries. There is evidence, however, of slight improvement in agriculture—the ancient terrace cultivation is being restored, and the establishment of Jewish and German colonies in recent years gives promise of development. The agricultural products are characteristically "Mediterranean." Fine wheat is grown in the Hauran volcanic district and on the plains. The vine, olive, and fig are cultivated on the hills. Oranges and various other fruits of the Jaffa district, the tobacco of Latakia, and the silk of Lebanon are noted.

The Pastoral Industry occupies a high place, the Jews of old were largely a nation of shepherds. Numerous flocks of sheep roam over the downs of the eastern plateau, and a few Bedouin Arabs, with their horses, camels, and goats, find means of subsistence in the Syrian Desert and the eastern slopes of the plateau.

Forestry. Palestine is in general bare of trees and the once famous cedars of Lebanon are now represented by a few small groves. In some localities the hills are well-wooded. The reckless felling of the forests has resulted in a drier climate and worse conditions for agriculture.

Mining. Limestones are the prevalent rocks throughout the country and mineral wealth is small. Bromine and bitumen are obtained from the Dead Sea, and hot sulphur springs exist near Tiberias.

Manufactures. Damascus is the chief manufacturing centre. Hand looms are used and about 10,000 workmen are employed in weaving silk, cotton, and woollen fabrics. Beirut, another centre, manufactures silk-textiles. Soap-making is a characteristic industry, and is aided by the growth of the olive and soda-yielding plants. Various articles are manufactured to supply the Mahometan pilgrims.

Communications. The build of Syria presents many obstacles to easy communication inland from the coast, and few good roads are to be found. There is one good road from Beirut to Damascus, and inferior roads lead from Alexandretta to Aleppo, from Haifa to Nazareth, and from the port of Jaffa to Jerusalem. Much inland transport is by mule or camel. Caravan routes are still much used, and Damascus and Aleppo are the chief centres. From Damascus, the gate of the desert, routes diverge (1) southwards along the eastern bank of the Jordan rift valley, and across the Sinai peninsula to Suez; (2) southwards by the same route to Sinai, and then along the eastern shore of the Red Sea to Medina and Mecca (the pilgrim route), (3) westwards through the gorges of the Lebanon and Anti-Lebanon to the coast, and then southwards along the coast, and (4) eastwards past the wells of Tadmor to the Persian Gulf. Another great route runs from Alexandretta along the coast to Aleppo, and thence to Mosul to Basra.

and (4) from Aleppo through Hamah to Damascus and then following the pilgrim route through Tebuk to Medina and onwards to Mecca (railba 1 is now at Medina). This last line has been constructed for admirative purposes and for the pilgrim trade to Mecca.

Commerce. Most of the foreign trade is with the United Kingdom. The chief exports are wheat fruit tobacco wool hides raw silk and olive oil and the imports consist mainly of textiles and iron goods. Alexandretta Beirut and Jaffa are the chief outlets.

Trade Centres. Damascus (250 000) Aleppo (130 000) Beirut (120 000) and Jerusalem (60 000) are the largest towns.

Damas is the capital of Syria. It lies in an oasis of date palms irrigated by the waters of the Pharpar and Alana. It is a railway manufacturing and route centre and the starting point of the Mecca pilgrimage (El Hajj).

Aleppo in the extreme north, is an important commercial railway and route centre. Its trade is chiefly in cotton and silk stuffs tobacco wine oil and indigo.

Jerusalem lies in the heart of the hill country of Judaea and is held sacred by Christians Mahomdians and Jews. A new city has sprung up outside its walls to accommodate the many pilgrims.

Beirut the port of Damascus is the largest maritime town. It is visited by regular lines of French and British steamers. Its chief exports are madder wheat silk wool fruit olive-oil and gums.

Alexandretta (Iskanderun) is the port of Aleppo and Antioch. It exports tobacco wine oil and indigo.

Jaffa (Joppa) is the port of Jerusalem.

Akko is a port with a small local trade.

Haifa at the base of Mount Carmel is well sheltered and has prospects of increasing its trade.

Tripoli is a port with a small trade.

Lattaquia is a small port and exports tobacco.

Hama on the Orontes the ancient capital of Syria was the first great Christian city.

The great Phœnician ports of **Tyre** and **Sidon** are now represented by Sur a miserable fishing village and Saida.

III. TURKISH ARABIA. Position Area, and Population. The Arabian Peninsula is about one-third of the size of Europe and its population probably approaches 7 000 000. The inhabitants are mainly Arabs. Arabia stretches southwards from Edom and the Syrian Desert (of which it is a continuation) to the Indian Ocean. On the west its shores are washed by the waters of the Red Sea and the Gulf of Akaba and on the east by those of the Persian Gulf. Politically the divisions of Arabia are: (1) Hijaz (area 96 500 square miles and population 300 000) and Yemen (area 73 800 square miles and population 750 000) coast strips of the Red Sea part of the Turkish Empire (2) Aden Perim Sokatra and the Kuria Muria Islands a British Crown colony (3) El Hasa on the western shore of the Persian Gulf the ruling sheikh owing a merely nominal allegiance to Turkey (4) Oman on the south-eastern coast and Hadramut on the south coast under British influence and ruled by independent native sheikhs (5) the Sinai Peninsula belonging to Egypt (6) Jubel Shummar inland ruled by an Emir who merely pays a small tribute to Turkey and (7) Najd in the centre independent.

Coast Line. The west coast with no inlet of any size has no good harbour but open roadsteads

made difficult of approach by shoals and coral reef. Akaba and Hodeida are the chief outlets. The south coast possesses good harbours in Aden Dufur and Heshum. On the east coast Muscat and Koweit are fine natural harbours but the Persian Gulf has lost much of its importance. There are a number of pearl fishing stations on the islands of the Persian Gulf.

Build. Arabia is a huge plateau 3 000 ft in average elevation buttressed by precipitous mountains which attain their greatest height in the south west (10 000 ft) and east. Four regions may be distinguished: (1) The coastal strips of small extent (2) the mountain rims (3) the vast ring of sterile desert lying behind the mountains and (4) the central plateau (Nejd) with long undulating slopes traversed by narrow and deep valleys. Nejd is connected by a ridge with the western coast range and is the true home of the pure Arab. The Arab horse the Arab camel and the Arab donkey. South of Mecca the low lying strip of sand and coral debris is called the Tehama. Sinai in the north west is in reality a single mountain resting upon an immense rocky mass and is comparatively unproductive. The central plateau the deserts and the coastal ranges each occupy about one-third of the area of the country. It should be noted that the Gulf of Akaba continues the Jordan rift which can be traced to Lake Nyasa in Africa. No Arabian stream of any size flows to the sea and only Yemen has perennial streams.

Climate. The climate naturally exhibits great variation. The latitude the altitude and the direction of the mountain ranges are the chief controlling climatic factors. On the coastal plains the climate is hot and unhealthy and over much of the surface of Arabia heat and dryness are extreme. The mountainous tracts of Yemen Nejd and Oman receive sufficient rain to support a little agriculture but in the north vast regions receive no rain.

Production and Industries. *Agriculture* is practised mainly in Yemen Nejd and Oman. Yemen is really Araby the Blest. Terrace cultivation receives much attention and among its agricultural products are the famous Mocha coffee fruit grain vegetables coco nuts betel and bananas. On the coast of the Nejd the date palm flourishes. Senna is grown in southern Hejaz and the Tehama. Balsam in the Safra region. Henna on the west coast. Frankincense and myrrh in Hadramut and indigo on the shores of the Persian Gulf.

The Pastoral Industry is of much importance. Bedouin Arabs roam over the pasture lands of the Nejd and the grassy margins of the deserts with their fat-tailed sheep camels and fine breeds of horses. Goats cattle and asses are also reared in large numbers. The best horses come from Nejd the best camels from Nejd and Oman and the best donkeys from El Hasa and Nejd.

The Pearl Fisheries of the Persian Gulf and the mother-of-pearl fisheries of the Red Sea are valuable.

Communications and Trade. There are no navigable rivers no great caravan routes and but one railway—the Hejaz constructed as far as Medina for the pilgrim trade—in Arabia. From Basra a route crosses a Nejd and another from Damascus leads by the eastern coast ranges to Mecca. The chief exports are coffee dates salt mother-of-pearl pearls hides dyes senna henna gums incense and betel and the imports mainly textiles rice grain and sugar. Much trade is carried on at

the times of the Haj, and on the route to Mecca Great Britain largely controls the shipping trade isolated by the seas and deserts, and traversed by no great trade route, but favourably placed for maritime trade, Arabia became in early times a centre of sea-borne commerce. Its coast-dwellers pushed their fortunes beyond their own shores, and the south coast carried on a highly successful trade with Africa, India, and the Far East. Aden (British) and Hodeida are the chief ports.

Trade Centres. Mecca (60,000) and Medina (40,000) are the largest towns.

Mecca, the birthplace of Mahomet, and, therefore, a sacred city of the Mahometans, is the chief city of Hejaz. It owes its commercial importance to the pilgrims who visit it, becoming during the times of pilgrimage a great fair.

Medina is another holy city of Hejaz, and contains the tomb of Mahomet.

Jeddah (or *Jidda*) is the port of Mecca, and **Yembo** the port of Medina.

Aden (British), the chief port of the peninsula, is a British coaling station, and commands the entrance to the Red Sea. It is the *entrepôt* for the trade of all the neighbouring countries.

Hodeida, the port of Sanaa, has replaced **Mocha** as the chief Turkish Red Sea port. It ships much coffee and hides.

Sanaa stands 7,600 ft. above sea-level. It is the capital of Yemen.

Shibam is the capital of Hadramut.

Makalla, the port of Shibam, exports frankincense and myrrh.

Muscat, the capital of Oman, has a coasting trade, and exports dates, salt, fish, pearls, and mother-of-pearl.

Koweit, the port of El Hasa, is mentioned as the probable Persian Gulf terminus of the Baghdad Railway.

Hail is the only inland centre of note.

VIII. TURKISH AFRICA. **Tripoli.** *Tripoli*, *Barha*, and *Fezzan*, provinces of the Turkish Empire, lie between Egypt and Tunis, and between the Mediterranean Sea and the Sahara Desert. Their total area is nearly 400,000 square miles, and their population is over 1,000,000. Berbers, Moors, and Jews form the bulk of the inhabitants. The Mediterranean coast, over 700 miles in length, has no good harbour, and sandbanks add to the difficulties of navigation. Tripoli is the only seaport of importance. Most of the region is arid, but on the fertile coast strips and the oases of Fezzan a little agriculture is practised. Barley, wheat, dates, olives, oranges, and lemons are typical products, and carthage grass and sponges form important exports. Cattle and sheep are bred. Tripoli, Ghadames, and Murzuk are noted caravan centres, routes running from them into (1) Nigeria and (2) the Egyptian Sudan. Ivory, ostrich feathers, and goat-skins are brought by caravans into Tripoli, and exported from the ports of Tripoli and Benghazi. Most foreign trade is with the United Kingdom.

Tripoli, (30,000), the capital, is a typical Moorish city.

Tripoli was invaded by Italy after more than twelve months of a treaty of peace was concluded by which this territory was ceded.

TURMERIC.—The product of roots of the *Curcuma longa*, a plant in India and other tropical regions.

fragrant, yellow powder used as a chemical test for the presence of alkalis, as an ingredient of curry powder, as an adulterant of mustard, and as a dye, which is, however, fugitive.

TURN OF THE MARKET.—This really means the difference between the two prices which are usually quoted in the list of stocks and shares—the lower being that at which the jobber is ready to buy, and the higher at which he is ready to sell. It is this "turn of the market" which constitutes the source of the jobber's profit.

TURNIP.—A hardy plant of the cabbage family, extensively cultivated in the British Isles for the sake of its root, which is used for flavouring soups, stews, etc., and as a cattle food. The two principal varieties are the ordinary white turnip and the yellow swede. This vegetable consists chiefly of water, and is, therefore, of no great food value, and when employed as a cattle food it should always be used in combination with dry fodder.

TURN-OVER.—The total amount of money which has been traded upon by buying and selling, or in other business transactions, during a specified period. Thus, in the case of banking, the turnover in a customer's account for a year is the amount which passes through it in that time. In the case of a shopkeeper, it is the total value of the stock which he sells.

TURPENTINE.—The semi-solid, resinous exudation of various coniferous trees. It is obtained chiefly from certain pines of Scotland, America, and France. Venice turpentine is the product of the larch. Oil or spirit of turpentine, which is the ordinary turpentine of commerce, is obtained by distillation. It is a colourless, strong-smelling liquid, also known as turps. It is used as a solvent in the preparation of oils, paints, and varnishes, and is also valuable in medicine as an antiseptic and as a local irritant in cases of rheumatism. Its internal use is extremely limited. The chief seat of the turpentine industry is North Carolina, which exports tremendous quantities to Great Britain annually.

TURQUOISE.—A precious stone consisting of a phosphate of alumina, together with small quantities of the oxides of iron and copper. The most prized gems are sky-blue in colour, those of greenish-blue being less valuable. The stones are usually opaque and are never of crystalline structure. They are found chiefly in Persia, where they are much esteemed. Specimens are also obtained from North America. The French stone, known as Occidental turquoise, consists of fossil bone with a blue incrustation. Artificially produced turquoises are of little account.

TURTLE.—A marine reptile, of which there are many species. The types most important commercially are the hawk's bill turtle, yielding tortoise-shell (*g*), and the green turtle, which is imported in quantity from Ascension Island for the soup. The eggs of the last-mentioned are much esteemed. In the pre-soup, calf's head is used.

—A coarse Indian silk, for Lyons imports.



TWILIS—Materials with a ribbed appearance due to the method of manufacture in which the warp is raised one thread and then depressed two or more threads for the passage of the weft.

TYPE—The metal characters used in printing. All type foundries cast their type as nearly as possible to one uniform height, but the letters may have varying breadths. The ordinary type used in this volume is Brevier or 8 Point. Each column has 72 lines and is technically known as 16 Pica ems wide the total width of page being 33 Pica ems.

The following are the names of the different kinds of type most frequently used in printing with an example of each and about the number of letters which would be contained in a page the same size as this Encyclopedia—

Pearl (or 5 Points) 17 632 letters
Commercial Encyclopedia and Dictionary of Business

This is not the smallest size but the two smaller sizes are rarely used

Nonpareil (or 6 Points) 12 288 letters
Commercial Encyclopedia and Dictionary of Business

Minion (or 7 Points) 8 700 letters
Commercial Encyclopedia and Dictionary of Business

Brevier (or 8 Points) 7 200 letters
Commercial Encyclopedia and Dictionary of Business
(N.B.—This is the type used in the composition of the COMMERCIAL ENCYCLOPEDIA.)

Bourgeois (or 9 Points) 5 400 letters
Commercial Encyclopedia and Dictionary of Business

Long Primer (or 10 Points) 4 400 letters
Commercial Encyclopedia and Dictionary of Business

Small Pica (or 11 Points) 3 744 letters
Commercial Encyclopedia and Dictionary of Business

Pica (or 12 Points) 3 072 letters
Commercial Encyclopedia and Dictionary of Business

Enlish (or 14 Points) 2 214 letters
Commercial Encyclopedia and Dictionary of Business

Great Primer (or 18 Points) 1 350 letters
Commercial Encyclopedia and Dictionary of Business

Type is now almost invariably cast on what is termed the point system which varies slightly from the old system and the equivalent in points are shown in italics.

TYPEWRITING—Type writing? What a multitude of improvements the word suggests not only in the typewriter itself but in the many time-saving inventions that have followed in its wake.

Thank for a moment of some of the earliest models of the typewriter printing as they did only in upper case characters and compare them with the truly wonderful pieces of mechanism of the latest models embodying as they do the inventive skill of years of thought and labour.

Or again take the remarkable manner in which the typewriter has been adapted to every class of work instead of being confined as in the early days of its history almost exclusively to correspondence

and for copying manuscripts. Think how the introduction of the huling and book keeping typewriter has revolutionised the work of the counting house by making it possible to type at a single operation not only the invoice but to record the entry in the day book thereby giving a day book in which the entries are all typewritten instead of written as under the old method of procedure. Or again see how the wholesale draper makes use of the machine for typing the items ed account making the entry in the journal and re-ordering the amount on the tally strip and wonderful to relate even this does not exhaust the powers of the billing typewriter as by the simple process of the letter writer leaves the invoice the day book entry the warehouse or departmental requisition the delivery note and the receipt note—in fact any set of forms—may be typed not as one might be pardoned for supposing at successive operations but at one and the same time. Or if we do not favour the loose leaf system then we can call into requisition the book typewriter which types as easily in a bound book as on a sheet of paper makes as many duplications as are required adds the columns and enters the total on the tally strip.

Or turn for a moment to the tabulator which was unknown in the early days of the typewriter and which made its debut as an accessory but which now forms an integral part of the machine. See how it marshals the figures into columns with units under units tens under tens hundred under hundreds etc. etc without the slightest trouble on the part of the operator it being merely necessary to press a button and hey presto! the stops fly into position and away we go typing the invoice extending the figures down under the other adding the columns proving the addition typing the discounts or credits subtracting them from the total recording the entry in the day book and all without any effort on the part of the typist but by means of that ingenious invention the Remington Wahl Adding and Subtracting Machine. Or should the work in hand not consist of columns of figures but rather of text which has given lines commencing at a common point for example a letter then we have the Column Selector which selects the columns for the operator! Truly if the brain of the inventor is as active in the future as it has been in the past there will soon be no work left for the typist save that of controlling the various inventions.

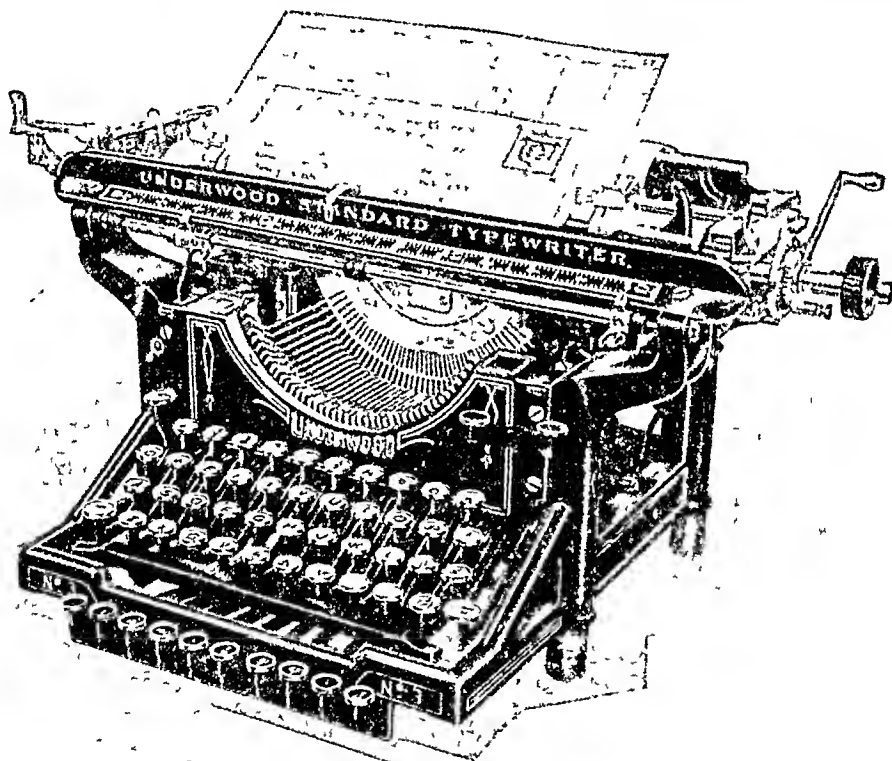
Or to turn to another side we have now a typewriter fitted with needle-pointed type which perforates the paper and drives the impression right into the fibre of the paper itself thereby rendering subsequent alteration an absolute impossibility and thus making the time-honoured written cheque gradually disappear so that we shall soon cease to hear the well known formula "I will send you a cheque but in its stead I will send you a cheque."

And this machine with perforating type has made it possible to type work to be kept and then on paper strong enough to stand the rough handling of the workshop and at the same time to obtain a good carbon copy so that even this paper is no longer a barrier. Again there is the Strip Inserter machine for accommodating a roll of invoice forms and a most admirable type writing machine which is successive in one or two lines and lets address labels or any other small slips be inserted and the bank that the

shall see if we take a peep into the solicitor's office and note how the various documents, from the rough draft to the engrossment, are first dictated to a shorthand-typist and then run off on the machine; or look into the sanctum of the literary man, and see how he either dictates his "copy" to an amanuensis to be transcribed on the typewriter, or in some cases taps it out himself without the intervention of the shorthand-writer, or watch the doctor and note how with the aid of the card index and the typewriter he keeps a record of the symptoms of his patients, or again, see how the busy man, whether he be travelling by land or sea, may call into requisition the services of the shorthand-typist, and have his work executed as expeditiously as if he were in his own office, and if he be

Or look for a moment at the typewriter itself, and note what a wonderful improvement there is not only in the touch—which is like velvet—but in all the minor parts, such as inner and outer margins, margin release keys, line-spacer, variable spacer, feed-roll release, carriage release, the locking of the typebars, ribbons, pads, etc., etc., and note how even the operator's mistakes are provided for in the form of a back-spacer!

But although all these inventions make the work of the present-day typist less laborious, still, on the other hand, they must of necessity call for more skilled operators than did the older models, and the call, we are glad to say, has not, on the whole, been in vain, but, of course, as in every profession, there will always be some who are unfitted either



Condensed Billing Machine.

putting up at an hotel *en route*, the same convenience is to hand, so that whether he be on *terra firma* or on the blue waters of the ocean, he can still call to his aid the shorthand-typist and hear the friendly click of the little machine.

And even with this long list of the uses to the typewriter has been put, there is still another phase, namely, the facilities which exist for multiplying copies. Think of the many varieties of flat frame and rotary duplicator, besides the production of the lithographic copy of the written work, not only a few, but an unlimited number. On the other hand, the carbon copy method, then we can see the carbon

by lack of education or natural endowments to fill the place of typist.

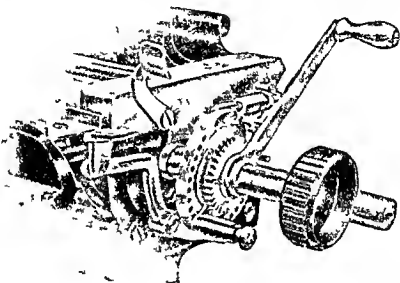
There are, however, a goodly number of educated, up-to-date operators who, instead of keeping their eyes glued, as it were, first on their notes and then the keys, turn and turn about, divide the work in sequence, employing the eyes for the fingers for manipulating, keeping the notes and the latter on the keys as a consequence, the carriage of the machine steadily in motion, instead of method, by fits and starts, after the fashion of getting an "eye full" of the strain to the eyes of the operator. This division of work ensures, of course, accuracy, and the result is that one is wont to

associate with the touch system. And if we would seek the reason of this softer impression of work executed by a non visual typist as compared with that of a visual operator we shall not have far to go as we have only to compare the movements of the sightless person with those of one gifted with sight and to note how gentle are the movements of the blind and how softly they feel their way, guiding as it were from place to place or to pursue our simile notice how gently the fingers of the blind typist glide from key to key. Then if we go a step further we shall realize that the typist who employs the non visual or touch system is really typing under the same conditions as the sightless operator save that he enjoys the unspeakable advantage of being able to read his notes simultaneously with the operation of manipulating the keys and it is because we do everything more gently when we *feel* than when we *look* that we

delivery note the receipt the packer's order and the day book entry in fact any set of forms to suit the requirements of the firm in question.

The principal attachment on this machine is the bill condenser the function of which is to feed each successive invoice to the first writing line and to automatically space each carbon impression on the day book page. A part of the attachment consists of a disc containing a series of holes about one-sixteenth of an inch apart round the outer edge in one of which a stop pin is set to gauge the depth of the first writing line from the top of the invoice form.

The method of setting the stop pin is extremely simple. The invoice form is fed to the first writing line by means of the cylinder knobs the bill condenser handle is then grasped and brought slowly forward a backward rotation of the cylinder thus ensuring an f causing the invoice form to be slowly



Bill Condenser

obtain from the touch typist a soft surface impression instead of as was so frequently the case with the old school of operator a touch which often resulted in perforating the paper and ruining the cylinder of the typewriter.

Happily however this latter class of operator is becoming as obsolete as are the older models of the typewriter and we can only hope that with increased educational facilities and the continued efforts of the teaching fraternity to raise the standard of typewriting higher and yet still higher the unskilled operator may soon become a thing of the past.

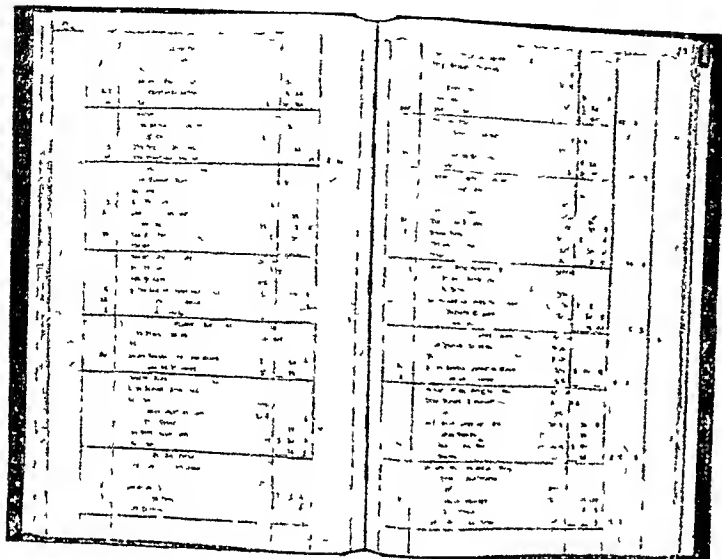
Bills. (1) *The Underwood Condensed Billing Typewriter.* The Condensed Billing Typewriter is as its name implies specially adapted for billing although it is equally applicable for correspondence.

Not only will it type the invoice and the day book entry at one and the same time but as many additional forms as may be required such, for example as the invoice the warehouse order the

ejected and at the moment it leaves the back feed rolls the stop pin is brought forward and set in the hole immediately adjoining the bill condenser handle.

When the condenser is thus set the method of procedure is as follows. The top day book sheet is taken from the McMillan day book or as many sheets as are likely to be required for the day's invoices. This sheet is fed into the typewriter in the ordinary manner. The invoice and carbon sheet are next inserted and brought into position by means of the condenser handle for typing the first line of the invoice. The invoice is then typed by the aid of the tabulator and on its completion the cylinder release key is depressed and the invoice and carbon withdrawn. The condenser handle is then brought forward and the motion of bringing it forward turns the day book sheet back a space which exactly coincides with that occupied by the printed heading of the invoice as set by the stop pin. Consequently when the second invoice form is

inserted there is no waste of space on the day book sheet, as although the two feed simultaneously while the condenser handle is being returned to its normal position, still this has been allowed for on the day book sheet by the previous action of bringing the condenser handle forward, after the removal of the first invoice



McMillan Loose-Leaf Sales Book.

At the end of the day's work, the invoices are despatched to the various customers, and the day book sheets are replaced face downwards at the end of the McMillan book, below the dividing tab, so that they run in numerical order

When a McMillan book is full, the contents are removed bodily and bound in a cheaper binding, and a new set of sheets is inserted to take the place of the old ones

Such, then, is the method which is fast superseding that of press copying the invoices in a press copy sales book, and which gives in its place facsimiles, clear and legible, typed simultaneously with the invoice, instead of the too often blurred and indistinct invoice and sales book

(2) *The Strip Invoice Typewriter* The Strip Invoice typewriter is the latest stage of billing machine development. It is fitted with special gear for accommodating a roll of invoice forms, the first of which is fed into the machine in the usual way. Fixed to the right-hand side of the cylinder is an attachment similar

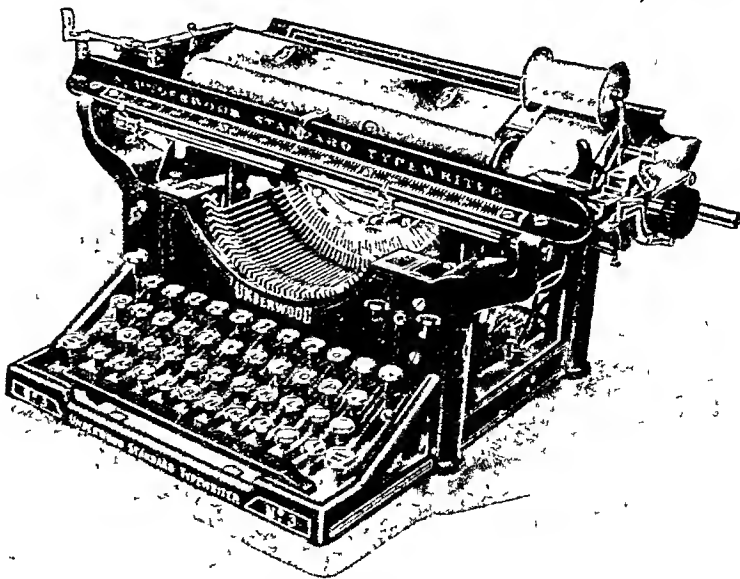
to the bill condenser, the function of which is to find the writing line automatically on each successive invoice

Its utility does not, however, cease with the typing of invoices, as it can be used for typing cards, tickets, address labels, or, indeed, any separate section of a roll of forms. If, on the other hand, it is not desirable to employ a continuous roll, it is equally applicable to long strips, subdivided into a number of separate sections, on each of which it is desired to commence typing at a given point

As with the Condensed Billing machine, so with the Strip Invoice machine, it is equally useful for correspondence, in fact, it is a combined invoicing and correspondence typewriter

(3) *The Retail Bill and Charge Typewriter* The Retail Bill and Charge typewriter, fitted with tally roll, is a billing machine specially designed to meet the requirements of firms rendering itemised accounts, such, for example, as those engaged in the drapery business. By the use of this machine and a folded form, interleaved with a carbon, entries are simultaneously typed upon the bill and the journal sheet, so that not only is liability to error reduced to a minimum, but the journal is typewritten as well as the bill

This machine is constructed with a special Glide Feed and Automatic Bill Aligner, which makes it the work of a moment to insert the folded form. Thus being done, the items under the current date are typed in the usual way, and the daily total is typed not only as an extension on the bill, but also



Retail Bill and Charge Machine.

on the tally strip. The form is then removed from the machine and placed without taking out the carbon in a cabinet awaiting subsequent reinsertment when further entries occur. The tally strip is then in position for typing the daily total of the next bill as the act of removing the form carries the strip forward one line space.

This procedure is continued until the day's billing is completed when the tally strip showing the day's totals is torn off and sent to the counting house. On each subsequent date that a new order is executed the customers form is reinserted and instantly shipped into position by means of the bill aligner.

Thus the bills progress step by step as the orders are executed and at the end of the month all that remains to be done is to foot the bills, dispatch them to the customers and land the journal sheets in a cheap binder.

Column Finder. The Column Finder—a most useful time saving invention—is as its name implies a device for finding or selecting the various columns or starting points which are common to a given number of lines.

This invention may be utilized in a variety of ways and on typewriters which have a reversible rack different styles of work may be set up at one and the same time thus obviating the necessity of constantly resetting the stops when a change of work is necessary. For example the stops may be arranged on one side of the rack for the starting points or numbers which are common to all letters such as the date the inside address the paragraphs and the subscription while the stops on the other sides of the rack could be arranged in a similar manner for any other styles of work in vogue in the office in question.

All that is then necessary is to turn the rack with the required side uppermost and to depress the column finder key which bears the number corresponding with the required column. Thus to find the fourth column or point depress the key marked 4 to find the first column the key marked 1 and so on.

It should be remembered that on some typewriters the carriage advances the face value of the key from the point where the carriage is situated. Thus if the carriage is at the first column and the third key is depressed the carriage will advance to the fourth column whereas on other machines the carriage advances to the column depicted on the key no matter if it is already on its way to that column.

Tabulator. When the tabulator was first introduced it appeared in the form of an accessory of the typewriter and could be purchased independently of the machine but its advantages soon proved so great that many of the typewriter firms introduced in their new models what is known as the built-in tabulator which is as much a part of the typewriter as the arm is of the body.

Perhaps the most ingenious contrivance in connection with the tabulator is the Remington Key-Set Tabulator which figures on the latest model of the No. 11 machine. This tabulator in addition to performing the ordinary duties of a tabulator goes a step further and automatically sets the stops for the typist.

It consists of ten tabulator keys or plungers arranged just below and projecting from the front of the keyboard a tabulator scale denoting the value of each key—a small key termed the Tab Stop Key—situated at the top left hand corner of the keyboard—a rack known as the tabulator rack complete with a stop for each degree or space—at the back of the machine immediately beneath the paper shelf and behind and a little to the left of this rack a tabulator stop release lever.

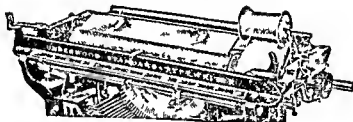
These are the main parts so far as the typist is concerned of a tabulator which has not only made the work of the typist simplicity itself but which is proving a notable factor as a time saving device.

Now a word as to the method of procedure. Let us suppose that an invoice is to be typed. All that is necessary is to depress the carriage release key and to run the carriage to the units point of the Quantity column and then to depress the

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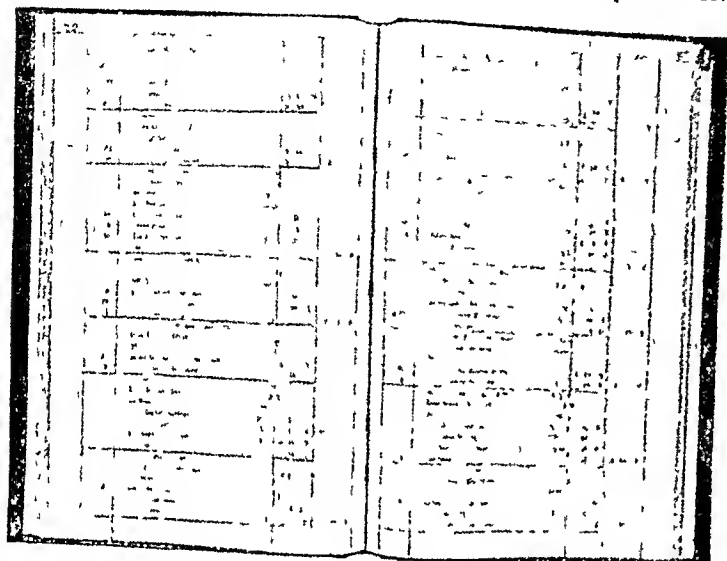
Tally Roll and Aligning Plate

column to column by means of the tabulator keys which are pressed in accordance with the required denomination.

When it is desired to set up another style of tabulation the stops may instantly be brought back to their normal position on the rack by depressing the tabulator stop release lever but this is unnecessary where the same style of work has to be executed day after day.

TYPEWRITING HISTORY AND DEVELOPMENT OF—Although the typewriter is in universal use and has become as well known as any of the smaller machines of modern invention designed for saving time and effort it will be of interest to begin with a definition of a word which was originally coined to designate an entirely new thing. The term typewriter first made its appearance in English periodicals and books about 1860. As defined in the *Standard Dictionary* the typewriter is a machine for producing printed characters as a substitute for writing. This description exactly indicates the object which the typewriter is designed to accomplish, and it is moreover one which considerations of accuracy and convenience are more and more limiting to the machine itself. The term typist has now come into general use as the designation of the operator of the writing machine the word is short and distinctive while it has the advantage of being analogous to similar terms employed to

inserted there is no waste of space on the day book sheet, as although the two feed simultaneously while the condenser handle is being returned to its normal position, still this has been allowed for on the day book sheet by the previous action of bringing the condenser handle forward, after the removal of the first invoice



McMillan Loose-Leaf Sales Book.

At the end of the day's work, the invoices are despatched to the various customers, and the day book sheets are replaced face downwards at the end of the McMillan book, below the dividing tab, so that they run in numerical order.

When a McMillan book is full, the contents are removed bodily and bound in a cheaper binding, and a new set of sheets is inserted to take the place of the old ones.

Such, then, is the method which is fast superseding that of press copying the invoices in a press copy sales book, and which gives in its place facsimiles, clear and legible, typed simultaneously with the invoice, instead of the too often blurred and indistinct invoice and sales book.

(2) *The Strip Invoice Typewriter* The Strip Invoice typewriter is the latest stage of billing machine development. It is fitted with special gear for accommodating a roll of invoice forms, the first of which is fed into the machine in the usual way. Fixed to the right-hand side of the cylinder is an attachment similar

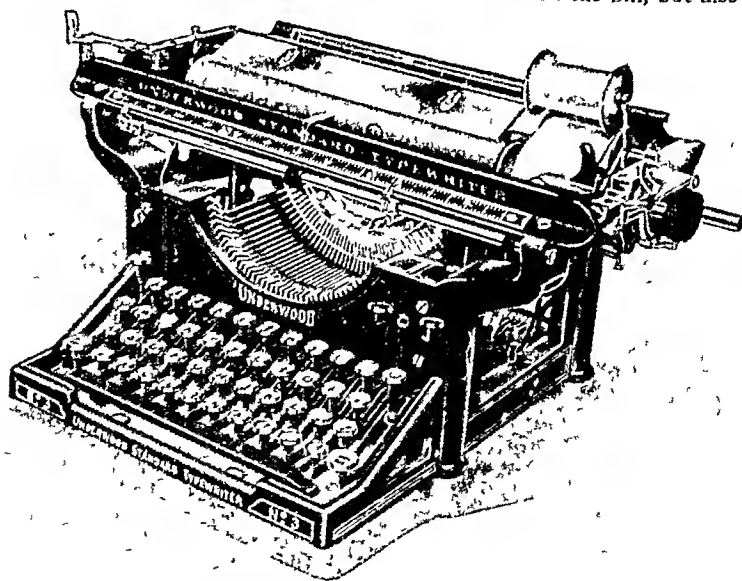
to the bill condenser, the function of which is to find the writing line automatically on each successive invoice.

Its utility does not, however, cease with the typing of invoices, as it can be used for typing cards, tickets, address labels, or, indeed, any separate section of a roll of forms. If, on the other hand, it is not desirable to employ a continuous roll, it is equally applicable to long strips subdivided into a number of separate sections, on each of which it is desired to commence typing at a given point.

As with the Condensed Billing machine, so with the Strip Invoice machine, it is equally useful for correspondence, in fact, it is a combined invoicing and correspondence typewriter.

(3) *The Retail Bill and Charge Typewriter* The Retail Bill and Charge typewriter, fitted with tally roll, is a billing machine specially designed to meet the requirements of firms rendering itemised accounts, such, for example, as those engaged in the drapery business. By the use of this machine and a folded form, interleaved with a carbon, entries are simultaneously typed upon the bill and the journal sheet, so that not only is liability to error reduced to a minimum, but the journal is typewritten as well as the bill.

This machine is constructed with a special Glide Feed and Automatic Bill Aligner, which makes it the work of a moment to insert the folded form. This being done, the items under the current date are typed in the usual way, and the daily total is typed not only as an extension on the bill, but also



Retail Bill and Charge Machine.

on the tally strip. The form is then removed from the machine and placed without taking out the carbon in a cabinet awaiting subsequent reinsertment when further entries occur. The tally strip is then in position for typing the daily total of the next bill as the act of removing the form carries the strip forward one line space.

This procedure is continued until the day's billing is completed when the tally strip showing the day's totals is torn off and sent to the counting house. On each subsequent date that a new order is executed the customers form is reinserted and instantly slipped into position by means of the bill aligner.

Thus the bills progress step by step as the orders are executed and at the end of the month all that remains to be done is to foot the bills, dispatch them to the customers and bind the journal sheets in a cheap binder.

Column Finder. The Column Finder—a most useful time saving invention—is as its name implies a device for finding or selecting the various columns or starting points which are common to a given number of lines.

This invention may be utilised in a variety of ways and on type writers which have a reversible rack different styles of work may be set up at one and the same time thus obviating the necessity of constantly resetting the stops when a change of work is necessary. For example the stops may be arranged on one side of the rack for the starting points or numbers which are common to all letters such as the date the made address the paragraphs and the subscription while the stops on the other sides of the rack could be arranged in a similar manner for any other styles of work in vogue in the office in question.

All that is then necessary is to turn the rack with the required side on permost and to depress the column finder key which bears the number corresponding with the required column. Thus to find the fourth column or point depress the key marked 4 to find the first column the key marked 1 and so on.

It should be remembered that on some type writers the carriage advances the face value of the key from the point where the carriage is situated. Thus, if the carriage is at the first column and the third key is depressed the carriage will advance to the fourth column whereas on other machines the carriage advances to the column depicted on the key no matter if it is already on its way to that column.

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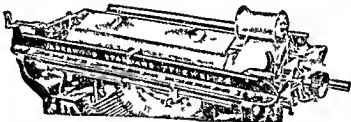
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Tally Roll and Alphanumeric Plate

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indicate the manipulators of other machines or instruments ("pianist," for example) Apart from these general designations, the development of the art of typewriting has resulted in the addition of a good many technical terms to the language, the most important of which will be dealt with as they occur in the present article

The typewriter, as we know it to-day, has but a short history, although the unrealized idea is much older There was a British patent granted to Henry Mill, in 1714, for "an artificial machine or method for the impressing or transcribing letters, singly or progressively one after another as in writing, whereby all writing whatever may be engrossed in paper or parchment so neat and exact as not to be distinguished from print" Unfortunately, there are no models or illustrations extant of this early writing machine The first United States patent for a machine of this description is dated 1829, and the first French patent, 1833

The originating cause of the typewriter as we know it to-day is, however, found in the invention of an American named John Pratt, of Alabama, who obtained, in 1861, provisional protection from the British Patent Office for a writing machine invention, of which a further specification was entered in 1866 "This invention," Pratt stated, "consists of an improved machine for printing rapidly upon paper by the simple manipulation or the fingering of keys, suitably arranged upon the keyboard" The inventor read a paper on his machine, and exhibited a complete model before the Royal Society of Arts This model is now preserved in the South Kensington Museum Although Pratt never placed his invention on the market, it holds a position of great distinction in the history of typewriting, from the fact that it directly inspired the invention of the many varieties of writing machine in use at the present day The *Scientific American* for 6th July, 1867, gave a notice of the new invention, and predicted a day when pen writing would become obsolete, and a printed record, produced by "playing upon the literary piano," would take its place

About this time an American inventor named C Latham Sholes of Milwaukee, Wis. was engaged in the production of a machine designed for printing the serial numbers on bank notes, railway tickets, etc Another inventor, Charles Glidden, suggested to Sholes the advisability of a machine which would write letters and words instead of figures and numbers This was the first idea suggested to Sholes on the subject It was not until the paging machine had been completed that he read of Pratt's invention, but by September, 1867, he had produced his first crude writing machine, destined to be the pioneer of the present day typewriters The first United States patent for this writing machine was taken out in the names of Sholes, Glidden, and Samuel W Soule on 23rd June, 1868, other supplementary patents being secured by Sholes in the same year and in 1871 The earlier models produced by Sholes were in many respects crude and imperfect, from twenty-five to thirty experimental machines were, however, produced, and were placed with professional shorthand writers and others who, having much writing to do, could subject them to practical tests In this way many improvements were suggested and effected

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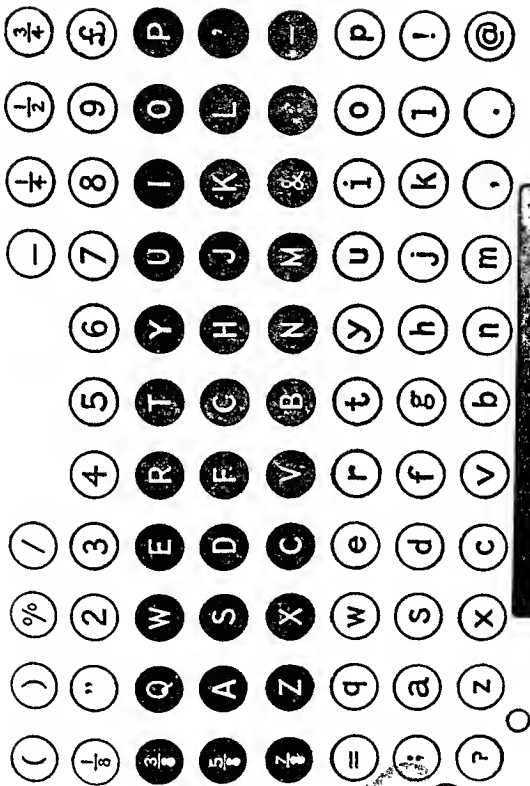
Each writing machine has distinctive features of more or less importance and value which differentiate it from other typewriters, but all the effective instruments in general use are operated by means of a keyboard This consists of rows of button-like keys, each of which bears a different letter, figure, or punctuation mark When any key is struck by the finger, a corresponding letter is impressed on the paper inserted in the machine By the majority of manufacturers the arrangement known as the "universal keyboard," which is shown in the accompanying illustration, is adopted, the few instances where this is not the case are indicated in the notes on the leading machines on the British market (See *TYPEWRITING MACHINES*) The advantage of the "universal" arrangement to the skilled professional typist, who may in the course of his career be called on to operate different makes of machines is, of course, obvious

A radical distinction in the mechanism of the writing machine divides typewriters into two well-defined classes, namely, (1) type-bar machines, which are developments from the original invention of Sholes, and (2) type-wheel machines, which were first produced at a later date than the kind previously named

In the first class of machines the type-bar is a metal lever with a type-block bearing a letter or letters at the end, and when put in motion from the keyboard, one letter at a time—which bears a resemblance to ordinary printer's type—is impressed by the lever on the paper The type-bars are arranged in a semicircular fashion and are operated singly, the point of percussion of the type being at a common centre, while the paper is moved automatically as each letter is impressed on it

The second class of typewriter comprises those known as type-wheel machines In these instruments the type is arranged round the segments of an oscillating wheel, which is sometimes termed a cylinder or shuttle When the typist strikes a key, the corresponding type on the wheel is brought into position, and a small hammer simultaneously forces the paper against the type, and the letter is impressed on it

There is a third class of typewriter designated "index" machines, in which the types are arranged on a plate, and impressions are made by the movement of a pointer, as the machines do not possess a keyboard These cannot, however, be operated at the speed necessary for commercial and professional use, and need only be mentioned here



Double Keyboard of Typewriter

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UNDERWRITING LETTER.

No

**CANADA IRRIGATION LAND COMPANY,
LIMITED****Proposed issue of £200,000 Five per Cent Debentures at 98****THE PROMOTING FINANCE COMPANY LIMITED****50 AUSTIN FRIARS LONDON E.C.**

GENTLEMEN—

1 We agree for the consideration below stated to subscribe for £ Debentures of the above issue and to pay for the same on the conditions named in the Prospectus a draft of which has been shown to me/us or any modification thereof as finally issued as long as the amount of the Debenture issue and the amounts payable on application and allotment are not altered.

2 I/We undertake to sign an application for such Debentures or any smaller amount when requested by you so to do, and to hand you therewith a cheque in payment of the deposit of 15 per cent in the amount of such Debentures and I/we undertake to pay the further moneys payable in respect of my Debentures I/we have to take up under the terms of this contract.

3 If on the public issue of the Prospectus £200,000 Debentures are allotted in response to subscriptions from the public my/our responsibility is to cease and no allotment is to be made to me/us in respect hereof. If the whole of the Debentures shall not be allotted but any smaller amount my/our undertaking is to stand for the amount of Debentures that constitute my/our *pro rata* contribution with other underwriters to make up the difference between the amount subscribed by the public and the amount underwritten. Provided always that such issue is made within three months from this date.

4 You are to pay or cause to be paid to me/us in consideration of this undertaking a commission of 3 per cent in cash on the amount of Debentures hereby underwritten such commission to be paid to me/us within 28 days after the first allotment of Debentures whether I/we are required to accept an allotment of Debentures or not but if an allotment be made to me/us no commission is to be payable until the allotment moneys payable by me/us have been paid and you may apply the commission in or towards payment of such moneys.

5 This Agreement is to be irrevocable on my/our part and to be sufficient in itself to authorise you in the event of my/our not applying for or attempting to withdraw my/our application for the said Debentures as above mentioned to apply for such Debentures in my/our name and on my/our behalf and to authorise the Directors of the Company to allot such Debentures to me/us thereon and in the event of your applying for such Debentures in my/our name I/we undertake and agree to hold you harmless and indemnify in respect of such application.

Signature

Address

Date

We accept you as an underwriter of £

Debentures on the terms stated

111

insurance to company formation. Its object is to guard against the risk that shares, debentures, or debenture stock offered for public subscription may not be taken up. Even though it may be thought that the shares of a company are certain to be subscribed for, many unforeseen events might arise to jeopardise the enterprise, and it is to prevent this catastrophe that underwriting has become so exceedingly common. Indeed, since the passing of the Companies Act, 1900, which first placed restrictions upon the commencement of business, requiring that there must be a "minimum" subscription before going to allotment, it is clear that many projected enterprises would be ruined unless a considerable portion of the capital was practically secured before the shares were offered to the public. (See MINIMUM SUBSCRIPTION.)

The underwriting may be undertaken by one person, or by a number of persons, or by a company. The method of carrying out the same cannot be better described than in the words of Sir Francis Beaufort Palmer, the well-known authority on Company Law. He says, "The underwriter writes a letter addressed to the founder or promoter or to the company, agreeing to underwrite a specified amount of what is to be offered, upon the footing that he is only bound to take up his ratable proportion of what the public do not take up, and that in any event he is to be paid a commission, either in cash or paid-up shares, or in some other shape. Such a letter is generally expressed in the form of an agreement, but in effect it operates only as an offer, and, to become binding—to be converted into a contract—it must be accepted by the other party, and notice of such acceptance given to the underwriter. The acceptance may be in writing or oral, and it is *prima facie* no objection that the notice of acceptance is not given until after the list has closed, for the court is not disposed to import into underwriting contracts implied conditions in derogation of the express terms of the contract. The underwriting letter usually provides that if the underwriter makes default in applying, the other party to the underwriting agreement may apply for the shares on his behalf. This authority, if properly framed, is effective and irrevocable where there is a complete contract, as above, for, in such cases, it is one of the terms of the contract that the authority shall subsist, and it is not open to one party to a contract by any notice to the other to revoke what is a term of the contract. It happens sometimes, however, that such an authority is expressed in contingent terms, as, for instance, 'I will, if called on by you, subscribe, etc., and if I make default you are to be at liberty, etc.' Where this is the case, the authority does not arise until after the condition is performed, that is, after the underwriter has been called on to subscribe, and, accordingly, if the other party exercises the authority before that has been done, the allotment will be ineffective. Even where the underwriting letter has not been accepted by the person to whom it was addressed, and there is therefore, no contract, the underwriter may, in some cases, be held bound by an application made by the other party in professed exercise of the authority conferred by the letter in his possession. The principle of this is that the applicant has an apparent authority from the underwriter to apply, and the underwriter is therefore, as against the company accepting the application in good faith and without notice of any qualification or condition

affecting the authority, estopped from denying the validity of the authority. . . . The principle would, of course, not apply if the company knew from the form of the letter or *alimunde* that the authority was qualified or conditional.

"An agreement to take shares must be distinguished from an agreement to place shares. One who merely agrees to place does not underwrite, and is not bound to take those he does not place.

"A contract to underwrite debentures is not specifically enforceable, the remedy sounds only in damages. The real security for the performance of the contract and payment of subsequent instalments is the liability to forfeiture of application moneys and earlier instalments."

Great doubts existed until after the passing of the Companies Act, 1900, as to the legality of paying a commission on underwriting. All these doubts have now been dispelled, and it is, therefore, unnecessary at this date to raise any point upon the question, since the enactments of the Act of 1900 are now reproduced by the Companies (Consolidation) Act, 1908, and are as follows—

"89—(1) It shall be lawful for a company to pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in the company, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the company, if the payment of the commission is authorised by the articles, and the commission paid or agreed to be paid does not exceed the amount or rate so authorised, and if the amount or rate per cent of the commission paid or agreed to be paid is—

"(a) In the case of shares offered to the public for subscription, disclosed in the prospectus, or

"(b) In the case of shares not offered to the public for subscription, disclosed in the statement in lieu of prospectus, or in a statement in the prescribed form signed in like manner as a statement in lieu of prospectus and filed with the registrar of companies, and, where a circular or notice, not being a prospectus, inviting subscription for the shares is issued, also disclosed in that circular or notice.

"(2) Save as aforesaid, no company shall apply any of its shares or capital money either directly or indirectly in payment of any commission, discount, or allowance, to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares of the company, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the company, whether the shares or money be so applied by being added to the purchase money of any property acquired by the company or to the contract price of any work to be executed for the company, or the money be paid out of the normal purchase money or contract price, or otherwise.

"(3) Nothing in this section shall affect the power of any company to pay such brokerage as it has heretofore been lawful for a company to pay, and a vendor to, promoter of, or other person who receives payment in money or shares from, a company shall have and shall be deemed always to have had power to apply any part of the money or shares so received in payment of any commission, the payment of which, if made directly by the company, would have been legal under this section.

CANADA IRRIGATION LAND COMPANY,
LIMITED

14700171146 CIVILIAN COMPANY LIMITED

5) ATTENTION FAIT LE 11

1. The agreement for the consideration below stated to be received by the said party, in full, for the same on the condition herein stated in the Trust deed a receipt of which has been given by or on behalf of the parties thereto and is deemed as full and the amount of the Trust income is to be paid to the said party and whatever it may be retained

1. The undertake to sign an application for such a license as the aforesaid amount when
2. The undertake to hand you herewith a cheque in payment of the deposit of \$2 per 100
3. The undertake to pay the further money payable in respect
4. The undertake to take up under the terms of this contract

On the public issue of the Pro Forma, \$200,000 Deductions are allocated in such a way that the total net loss responsibility is to cover, and no allotment is to be made to any other party. If the balance of the Deductions shall not be allocated but any smaller amount may be used to cover the amount of Deductions that constitute net loss or pro forma contribution with the balance to be used in difference between the amount subscribed by the public and the amount of the net loss. It is always that such year is made within three months from this date.

Each of the amount of D's ventures hereby undertaken such a commitment to D
as of day after the first allotment of Debentures whether the same required to
be paid in full or not but if an allotment be made to him no commitment to him
shall be required to be paid by me/us have been paid and you may apply the same to

I hereby certify that the above is a true and correct copy of the original as the same appears in the books of the Company.

§ 52.007

4.6.1988

Date _____

[Handwritten signature]

1. *Chlorophyll a* and *Chlorophyll b* content

4-3 and
not used

followed, but far behind, by those of the United States, Germany, Norway, and Italy

The Trade Centres. The great trade centres are naturally ocean and lake ports, and the great inland railway centres. The rise of the various towns is due largely to good facilities for transport, to and from them, to the availability of water-power, and to the abundance of raw materials for manufacture either in their neighbourhood, or easily obtainable. Some towns exist by geographical inertia, the conditions favouring the particular industry or industries in them having passed away, they now survive by artificial aid

Seaports. *New York*, the commercial metropolis of the United States, and the second city in the world, owes its importance to its command of land and sea routes. The Hudson-Mohawk Valley provides an easy route to the Great Lakes and the West, all the other Atlantic ports have more difficult access to the West, and hence New York has the advantage in freight rates. The opening of the Erie Canal in 1825 gave New York a great impetus, and the construction of railways leading north-west, west, and south-west, as well as the establishment of steamship connections with Europe, have further centralised commerce at New York. New York has water fronts on either side of the Hudson River and on Long Island, and, being the chief port of immigration, has collected colonies of all the peoples of Europe. Commercialism is supreme in New York, brokers, bankers, importers, exporters, and railway directors lead in business activity. As a money market, New York is second only to London. Her population is now about 5,000,000. The dearth of land in New York has resulted in the erection of many tall buildings, called "sly scrapers." About half of the foreign commerce (imports and exports) of the United States is conducted by New York. The manufactures in and round the city include the making of clothes, leather goods (chiefly shoes), tobacco manufactures, iron and steel goods, sugar-refining, brewing, and printing. Brooklyn, on Long Island, and other towns now form part of New York.

Boston (700,000), the commercial capital of New England, ranks high among the seaports. It possesses an excellent harbour, which is ice-free throughout the year, but the town is cut off from the vast hinterland of the Chicago district by the Hoosac Mountains, which, although now tunnelled, nevertheless make the route westwards a difficult one, and much of the traffic of Boston with the West passes through New York. Boston provides banking facilities and markets for the numerous New England manufacturing towns, and is generally considered to be the centre of American learning and literature. The manufactures of Boston are very similar to those of New York, its leather and wool markets are very important.

Philadelphia (1,600,000), one of the leading manufacturing centres of the United States, is situated on the Delaware River 100 miles from the Atlantic Ocean. Its harbour can accommodate the large liners, it is an important port, though much behind New York, industrially it is probably the equal of New York. Its importance is largely due to its proximity to the great Alleghany coalfield with its anthracite, the abundant open land on which to expand, the water-power of the Schuylkill, and the low altitude and small width of the Appalachian Belt in the background, allowing comparatively easy

communication with the interior. Iron for its locomotives and shipbuilding is brought from Pittsburgh, the neighbouring forests supply bark for tanning, and the sheep on the hills round supply wool for its carpets. Other manufactures are drugs, chemicals, sugar, and cotton goods. The exports of Philadelphia are food products, petroleum, coal, cotton, leather, and tobacco.

Baltimore (600,000), near the head of Chesapeake Bay, is important as an exporting centre. The valleys of the Potomac and Susquehanna aided in railway construction from Baltimore westwards, but the heavy gradients made necessary by the Alleghany Plateau and the comparatively few important towns passed through by the railways, make trade with the interior west less profitable than that conducted on the more northern lines. Baltimore is largely engaged in the oyster fisheries of Chesapeake Bay, and oyster canning is important. The leading manufactures are cotton goods, iron and steel goods, brickmaking, and tobacco manufactures. The export trade is mainly in petroleum, grain, tobacco, and cattle.

New Orleans (400,000), the largest cotton market and cotton port of the world, is situated on the Mississippi River, 100 miles from its mouth. The physical conditions of the port present great difficulties to the providing of a commodious harbour; enormous sums have been necessarily spent in deepening the channels of the Mississippi mouth, and constant dredging must be resorted to. The development of railways having easy gradients and making connection with the centres of its vast hinterland have greatly aided New Orleans. Its chief exports are cotton (by far the most important), rice, sugar, and cereals. Among its leading manufactures are clothes, leather, and tinware.

Galveston (50,000), the important cotton port of Texas, is situated on an off-shore sand reef, and has, with great difficulty, been provided with a navigable channel across the bar, so that ocean ships may reach it. It is the principal Gulf port of the Southern Pacific Railway.

San Francisco (500,000), the great Pacific port, is situated on the San Francisco and Pablo Bays, and has the only good harbour on the Pacific coast from Mexico to Puget Sound. Ocean vessels of large draught can be admitted at all states of the tide. It is the natural gateway of an area very productive in fruit, wheat, wool, and precious metals, and is the western terminus of the southern trans-continental railways. An important trade is carried on with Europe, Australasia, and the Far East. San Francisco is bound to grow still larger. Its chief exports are wheat, fruit, timber, wine, and quicksilver.

Portland (Maine), with a population of 250,000, possesses a fine harbour, and is one of the winter ports for Canadian traffic.

Savannah, on the Georgian coast, exports tobacco and the famous long stapled "sea-island" cotton.

Charleston (South Carolina) also exports "sea-island" cotton.

Mobile (Alabama) stands at the head of a bay formerly the lower valley of the Alabama River, but now a drowned valley, it possesses the best harbour in the Gulf, and has water communication by the Alabama River to the coal and iron of Birmingham. Mobile is an important cotton port.

Pensacola (Florida) is chiefly a timber port, but also exports cotton. Its harbour is a good one.

Portland (Oregon), *Tacoma* (Washington), on

sheep-rearing and stock-raising. Wheat is the most important crop, but maize, barley, millet, oats, rye, and flax are also grown. Vine, olive, and tobacco cultivation and fruit-growing are becoming important. Mining is developing, gold mines are worked in the north, and silver, lead, copper, magnesium, and lignite are found. The pastoral industry is of prime importance, especially in the departments of Salto and Paysandú. The rich pampa soils, with their phosphates and alkaline silicates, are well suited to cattle raising. Meat packing and the making of meat extracts are important at Paysandú, Montevideo, and Fray Bentos. Road and railway transport are far from being efficient. The chief railway connects Montevideo and San José. The chief exports are living animals: extracts of meat, beef, mutton, maize, hides, tallow, horns, bone ash, wool, skins, and caoutchouc, and the chief imports are liquors, textiles, apparel and haberdashery, iron goods and machinery. The chief trade is with Great Britain, Argentina, Germany, France, Italy, Brazil, the United States, and Belgium.

Montevideo is the chief port. The chief trade centres are Montevideo (250,000), the capital and chief centre, San José (inland centre), Colonia, Paysandú, Salto, Santa Rosa, and Fray Bentos. Montevideo is a clean and attractive city, situated at the mouth of the La Plata. It is the commercial rival of Buenos Ayres, but suffers from inferior harbour facilities.

There is a weekly mail service to Uruguay via Liverpool or Southampton. Montevideo is 7,030 mile distant from London and the time of transit is about two 1/2 days.

For more see SOUTH AMERICA, page 77.

USANCE.—The time allowed by usage for the currency of bills of exchange between any two countries. See also FOREIGN BILLS are drawn

payable at one, two, or more usances, (see FOREIGN BILL.)

USE AND OCCUPATION.—A charge made for premises in lieu of rent. The following remarks are taken from Foia's "Landlord and Tenant": "The fact of occupation by one person of premises belonging to another, by permission express or implied, gives rise to a presumption that a reasonable compensation for their use has been agreed upon between the parties. In this way arises usually the action for 'use and occupation' which is thus seen to be always founded on agreement or contract. When there has been no express agreement between the parties, or when, there being an agreement, the amount of rent has not been settled, this form of action may be resorted to, and even when the agreement defines the amount of rent to be paid it is not unusual in suing for it to add a claim for use and occupation, especially when there has been by consent some departure from the original contract. So where an agreement exists by which a stipulated rent is to be paid, if the landlord is from any cause precluded from recovering it (e.g., where its payment is made conditional on the execution by him upon the premises of repairs which he has failed to complete, or where an eviction by title paramount occurs from the possession of the whole of the premises he has agreed to let), the tenant, if he enjoys the occupation, may be sued in this action for so much as such occupation may be reasonably worth."

USUFRUCT.—The right of using for a specified time something which is the property of another, but without diminishing or altering its shape or form.

USURY.—The word denotes an exorbitant rate of interest charged by the lender of money for its use by the borrowers. The matter is fully dealt with in the article entitled MONEY-LARK.

V — This letter is used in the following abbreviations—

V. Versus (Latin *versus*)

Via By the way of

Viz Namely (Latin *videlicet*)

VAGRANT—A vagrant or vagabond according to its derivation (Latin *eo* or *I wander*) originally meant a wanderer. In early times every person who was found away from his own county without lawful reason was regarded as a vagabond or foreigner and a list of such persons was kept by the sheriffs of each county. This was especially necessary at a time when it was not unusual for villeins to attempt to escape from their employers and their work by running away into another county. From time to time laws were passed dealing with men who had no masters and compelling them to work and fixing the amount of their wages. These men were called vagabond or vagrants but these names were applied to other persons whose offences were only remotely (if at all) connected with wandering. The chief statute on the subject of vagrants is the Vagrancy Act of 1848 and the present law is contained in that Act with a few modifications made by subsequent legislation.

The persons subject to the Vagrancy Acts may be divided into three classes—

- (1) Idle and disorderly persons.
- (2) Rogues and vagabonds and
- (3) Incurable rogues.

Idle and Disorderly Persons consist of the following sub-classes—

(a) Every person who though able wholly or partially to maintain himself or herself or his or her family by work or other means wilfully neglects or refuses so to do.

(b) Any person who applies for poor law relief and has at the time any property of which on inquiry he shall not make a correct and complete disclosure.

(c) Any person who wilfully gives a false name or makes a false statement for the purpose of obtaining relief.

(d) Any woman who being able wholly or in part to maintain her bastard child neglects so to do whereby such child becomes chargeable to the parish township or place.

(e) Any person returning or becoming chargeable to a parish from which he or she has been removed by order of justices unless he produces a certificate acknowledging that he is settled at another place.

(f) Every pedlar wandering abroad and trading without a licence or otherwise authorised by law.

(g) Every common prostitute wandering in the public streets or in any public place and behaving in a riotous or indecent manner.

(h) Every person who places himself in any public place for the purpose of begging or causing any child so to do.

(i) Any pauper who absconds from a casual ward before he is entitled to discharge himself, or

escapes during the period of his detention in any workhouse or asylum or while in a casual ward or workhouse refuses to do the work or observe the regulations prescribed.

Punishment—A fine not exceeding £1 or imprisonment with or without hard labour for not more than fourteen days if convicted before a justice or a fine not exceeding £5 and imprisonment with or without hard labour for not more than one month if convicted before two justices in a petty sessions court. Hard labour cannot be ordered in default of payment of the fine imposed.

Rogues and Vagabonds consist of many subdivisions and it will be seen that wandering about without a permanent home is not a necessary qualification to constitute a rogue and vagabond. On the other hand a man may lead a wandering life and go about begging from place to place (e.g. begging for food for the wives and children of colliers out on strike) and yet he would not in law be a rogue and vagabond provided the begging is neither for an unlawful object nor carried on in a disorderly manner. The following are the chief subdivisions—

(1) Any male person (i) who knowingly lives (either wholly or partially) on the earnings of prostitution or (2) in any public place persistently solicits or importunes for immoral purposes.

(2) Fortune tellers and palmists who by trickery deceive or in pose upon His Majesty's subjects.

(3) Every wanderer who lodges in a deserted dwelling out of doors or tent or in the open air without visible means of subsistence.

(4) Every person who exposes in any public place or in the window of any shop any obscene print, picture or other indecent exhibition.

(5) Every person who wilfully and obscenely exposes his person in any street or place of public resort with the view to solicit a female.

(6) Every beggar who attempts to beg or obtain alms by exposing his wounds or deformities.

(7) Every one who collects alms by false pretences.

(8) Every one who runs away and leaves his wife or children chargeable to any township or place.

(9) Every one who plays or bets by way of gaming or wagering with any card token or other article in any street road or other public place.

(10) Every person who has in his possession or custody any picklock or other implement of house breaking with intent feloniously to break into any building.

(11) Every person who is armed with any gun pistol bludgeon or other offensive weapon with intent to commit any felony.

(12) Every person who is found on any building or enclosed premises for any unlawful purpose.

(13) Every person who frequents any river dock quay highway or place of public resort with intent to commit a felony.

(14) Every person apprehended and subsequently convicted as an idle and disorderly person, who shall forcibly resist the police-officer so apprehending him or her

(15) Every person who is convicted a second time of any offence, as an idle and disorderly person

(16) Every pauper who wilfully destroys or injures his own clothes or damages any of the property of the guardians

(17) Any person who untruly confesses himself to be a deserter from one of His Majesty's ships, or who makes a false statement on enlistment in the naval service

(18) Under the Aliens Act, 1905, certain offenders are deemed to be rogues and vagabonds, and punishable accordingly

Punishment Imprisonment for not exceeding three calendar months. Instead of imprisonment, a fine not exceeding £25 may be imposed, recoverable by distress, but hard labour cannot be ordered in default of payment. Where the charge is concerned with implements of housebreaking, offensive weapons, etc., an order may be made forfeiting those implements or weapons. Where the conviction takes place before one justice (who is not a stipendiary magistrate), the maximum term of imprisonment is fourteen days, or a fine not exceeding 20s.

Incorigible Rogues are—

(1) Vagrants who break out of confinement before the expiration of their term of imprisonment

(2) Any person who is convicted a second time as a rogue and vagabond

(3) Any person who, being apprehended and subsequently convicted as a rogue and vagabond, violently resists the police-officer who apprehends him

Punishment.—An incorigible rogue, on conviction, is committed to the next general or quarter sessions, when the circumstances of the case are examined, and the bench of justices have power to order imprisonment with hard labour for a term not exceeding one year from the date of making such order, and, in addition (in the case of a male offender), a whipping at such time during his imprisonment and at such place as they shall deem expedient.

No warrant is necessary for apprehending a person found committing an offence against the Vagrancy Act, 1824. Any one who sees the offence being committed may arrest the offender and convey him before a justice or hand him over to a constable and a constable who refuses to take him into custody is liable to a fine not exceeding £5. If any money is found upon or in the possession of an offender, it may be applied towards the expenses of his apprehension and conveyance to and maintenance in prison. If the money found is not sufficient, his effects may be sold and the proceeds applied for the above purpose, and the balance is returnable to him.

An appeal against a conviction for any of the above three offences lies to Quarter Sessions and not to the Court of Criminal Appeal, because it is not a conviction upon indictment, but an appeal does lie to the Court of Criminal Appeal against a sentence passed at Quarter Sessions on an incorigible rogue.

VALENCIAS.—Raisin, prepared by dipping bunches of grapes into a hot alkaline solution and afterwards drying them in the sun. They are imported from Turkey.

VALERIAN.—A shrub, of which there are many species. The root of the common valerian, found in Britain, is used in medicine in cases of hysteria. The plant is sometimes known as all-heal.

VALONIA.—The name given to the acorn-cup of the *Quercus ægilops*, a species of oak found round the Levant. It is rich in tannic acid, and is much used together with oak bark in the tanning industry. The chief supplies come from Smyrna.

VALUATION.—The fixing of a price for anything. Also assessing property for the purpose of taxation (See **QUINQUENNIAL VALUATION**).

VALUE.—The idea of value is fundamental in a state of highly specialised occupations, where each man obtains the things he consumes through a numberless series of exchanges. We may, even without exchanges, arrange our possessions on a scale, we should be more loath to lose one thing than another. We shall value them in unequal degrees, they will, to us, be regarded with more or less affection and regard; but value in the economist's sense emerges only when actual exchange is projected. The degree of desirability to the individual, which we may name value in use or subjective utility, is a matter on which we can lay down no laws, and which, therefore, does not fall within the scope of our study. There is no accounting for tastes. The value in use of a thing to different people varies inexplicably, as well as in easily understood manners. Why does this man prefer to spend a sovereign on a carousal instead of buying a new coat to replace his now tattered garment? Why does a woman, who has to dispense either with a new ribbon or an adequate meal, buy the ribbon?

The value in exchange, or objective utility, is something, however, which comes, at all events roughly, under rule, for it is measured by money. The value of a thing is the command which the possession of that thing gives over purchasable commodities in general. It is the relation in which that particular thing stands to others. Value is not an inherent and substantive quality in the thing itself, but depends partially on other things. The value of silver is high in regard to iron, because it needs many pounds of iron to obtain one pound of silver, the value of silver is low in regard to gold, for one pound of gold will command many pounds of silver. The idea of utility, the ability to satisfy some purpose is, of course, essential to value, we should not value anything for which we had no use, though this "use" may at times be only the pleasure and pride of possession. But the utility of a thing may vary without affecting its exchange value. To a connoisseur of pictures who goes blind, the pictures have lost their utility, but their exchange value remains unimpaired. It will be noted that the definition given restricts itself to commodities which we cannot obtain gratuitously and without effort. The air, for instance, has an infinite value in use, but since this commodity, at any rate, cannot be appropriated and made a saleable article, it has no value in exchange, to which sense of the word "value" we henceforth confine ourselves, and since value is a relation, we note also that there cannot be a general use of values. To say that one thing rises in value is simply another way of saying that the things with which we compare it have fallen in value. There may be a general use of prices, for price is the value of a thing in relation to gold, and to say that the price has risen is a way of saying that the

value of gold in relation to that thing has fallen and all prices will rise if the value of gold falls but if some values rise others must according, to our definition of necessity fall.

That a thing may have any value in exchange it must possess two properties. It must be useful that is it must fulfil some purpose satisfy some desire. Ought though it may be steadily under mining mind and health is useful in one sense since it satisfies an intense desire so is a diamond since it fulfils the purpose of ornament and gratifies the desire for distinction through variety and costliness of the ornament. The valuable thing must also present some difficulty of attainment. Though a thing be incontestably useful it will not rise to exchange value unless there is also an obstacle to its attainment. The utility of the article is the foundation of value. Difficulty of attainment would not be sufficient to contribute the ideas unless utility were present. A pebble dropped in mid Atlantic is difficult of attainment but it has no value since it lacks the primary property of fulfilling some purpose or satisfying some desire.

In articles which possess the two requisite properties there are many degrees of value. On what do these degrees depend? Here is the most debated question of political economy. Clearly value does not depend on scarcity. If I have a poem in my possession of my own composition it is scarce enough. It is in fact unique but it has no value because nobody will give anything in exchange for it. Nor does the amount of utility decide the question. A glass of milk is of innumerable utility to a starving man but in a state of free competition its value is much less than he would be glad to pay rather than go without it. In very rare cases can the price be reckoned so high that it corresponds to the buyer's estimate of its utility to him self. Such a case might occur in a strict and absolute monopoly when a seller who had sole control of an article could demand a price to an amount only limited by his possible failure to find a customer. The value as measured by the money price of articles which are thus rigidly limited is dependent (1) on the one side on the seller's knowledge of the intensity of desire on the part of buyers and his keenness in bargaining. (2) on the other side on the amount of effective demand of the buyers by which we mean the intensity of the desire to possess together with the power to purchase. The holder may be shrewd enough to hold out till the price asked and given corresponds exactly with the buyer's estimate of the total utility for his purposes of the article—better it be the unique coin the matchless painting or any thing else of which it is physically impossible to have as the quantity. The value of most articles however corresponds to what is called the *marginal utility*. This may be taken as the effective demand—the desire to obtain together with the purchasing power—of the weakest buyer he who is just worth catching, at all whose estimate of the use to him is exactly equivalent to the estimate of the other uses to which he might put the purchase money. If a boy with a penny wavers between several different employments of it—to buy sweets or nuts or apples to pay the entrance to a football match or to a picture show to replenish his missionary box or to lay aside for an approaching holiday—we may assume that all the desires are temporarily of equal intensity and each is equal to his wish for a penny. Or leaving what we may

call the marginal purchaser we may consider the final purchase of the man who buying more than one unit of the article obtains from the first units purchased a surplus of satisfaction and goes on purchasing till the satisfaction from the last quantity exactly equals the satisfaction derived from the possession of the purchase money. If a devotee to smoking were restricted to an ounce of tobacco in the year he would very likely be willing to give its weight in gold rather than go without it. Being able to get the ounce for 4d he makes a gain on the principle that we saw what he does not require to spend. The difference between what he would have been prepared to part with to gratify his desire and what he actually has to give is usually called his consumer's surplus or consumer's rent. A second ounce per annum would still be in our smoker's estimation worth far more than the price charged to him. He would gain largely on that too but having his first ounce he would not be willing to make extraordinary sacrifices for a second ounce. His gain would be less on the second. On each succeeding ounce the surplus satisfaction would decrease and a point would ultimately be reached—the desire even for tobacco being satisfied—where he hesitated to buy another ounce. This point would denote the margin.

The smoker who thus is in doubt whether or not to purchase another ounce at the price of 4d is taken as representative of the whole market. The utility in his estimation of the last portion purchased the final utility is the value of the article. The marginal purchaser introduces in a new guise our old friend the economic man. He who could always be relied on to act according to reason who never did a foolish thing yet always said a wise one who was always desirous and capable of promoting his own interest. Still there seems no real reason for departure simply for the sake of innovation from the old idea that the value of all things which are the product of Labour and Capital is ultimately measured by their cost of production. Two things exchange for each other if made by the same amount of labour with the requisite auxiliary capital. Final utility may in fact be regarded as a subjective way of expressing cost of production. If in the world market the final utility is above cost of production other producers seek to share in the attainable profits and the increase in supply lowers the final utility till it again coincides with cost of production. For short periods and under special circumstances the value of a thing is no doubt determined by the intensity of demand when compared by the amount offered for sale. But in the long run and for the great majority of commodities the difficulty of attainment regulates the value and difficulty of attainment usually means cost of production. The same article usually however has not one but several costs of production. A well equipped and expertly managed factory will produce it cottons more cheaply than an ill-organised poorly furnished factory. Yet the call of price the first of equal quality commands the same price as that from the second. Its value is the same though its cost of production is less. The loaf made from wheat grown on the bounteous soils of Canada will cost as much as that made from wheat grown on the Lehigh soil unenriched by lengthy drains on its fertility. Then when the degree of difficulty of attainment (or translated into money cost of production) determines the value the least of the greatest?

Well, clearly, a producer will not continue producing unless he obtains the ordinary rate of profit on his outlay. The weakest producer, whose costs are highest, will yet be recompensed. The market calls for a certain amount, and the producer of the last portion required to satisfy the demand will settle the cost of production and consequently the price, the value expressed in terms of money. All the other producers will gain an added profit, which is rent. The cost of the whole output will, in a state of free competition be that of the portion produced at the greatest expense, and yet indispensable. The stronger producers will obtain more for their product than they would have been content to take, just as the keenest buyers with the more intense desires need to pay less than they otherwise would have paid. The difference in the former case is the producer's surplus or rent—the added advantage that increased demand gives him. The difference to the latter is the consumer's surplus or rent—the benefit he derives from his environment.

The regulator of the value of articles subject to Monopoly is discussed under that head. Here we speak only of commodities "freely produced." Of such things the price is roughly proportioned to the cost of production under the most disadvantageous circumstances, that is the natural price, any deviations from which set in operation forces that quickly restore it.

VALUED POLICY.—A marine insurance policy in which the amount insured is valued or fixed. (See MARINE INSURANCE, TIME POLICY, VOYAGE POLICY.)

VALUE IN ACCOUNT.—This is a term which is often found at the end of foreign bills signifying that they are drawn in respect of services rendered, or when, from cross transactions between the parties there is a balance remaining in favour of the drawer. The words are purely a communication between the drawer and the acceptor.

VALUE RECEIVED.—This is a term invariably used as the last words in the body of a bill of exchange to indicate that the drawee has received either money or money's worth from the drawer. There is, however, always a presumption of consideration in the case of bills of exchange—and the rule also applies to promissory notes where the same words are generally found—and the term "value received" has no more significance than the expression "yours truly" in a letter. The presumption of consideration is always rebuttable if evidence is forthcoming to show that in fact there was no consideration. In the case of foreign bills of exchange the words should never be omitted, as the strict presumption above stated is one of English law and not necessarily applicable to other systems.

VALUER.—A person whose business it is to put a price or value upon anything. (See APPRAISER.)

VALUE UPON.—To draw a bill upon.

VANADIUM.—A rare metal of whitish colour, infusible and very brittle. It has been used in the manufacture of steel, but its commercial value is very limited. Some of its salts are employed for colouring porcelain and for making aniline black.

VANILLA.—The commercial article of this name is the dried pod or fruit of the *Vanilla planifolia*, a species of orchid growing in the West Indies and in other tropical regions. Mexico, Brazil, and

Mauritius are the chief exporting countries. The aromatic fruit is gathered before it is ripe, and generally steeped in the oil of the cashew-nut. Owing to its agreeable smell and taste, it is much used in perfumery and in confectionery.

VARA.—(See FOREIGN WEIGHTS AND MEASURES—BRAZIL, SPAIN.)

VARNISHES.—Solutions of resinous substances in various volatile liquids and fixed oils. For so-called crystal varnishes, oil of turpentine is used, while methylated spirit is generally employed in the manufacture of spirit varnishes. The chief resinous materials are dealt with under separate headings. Varnishes are used for coating wood and metal work, in order to protect it from exposure to air and moisture.

VASELINE.—An odourless and almost tasteless, semi-solid substance of pale yellow colour, obtained during the distillation of petroleum (qv). Paraffin yields a similar but inferior article. Vaseline is much used in the making of ointments, salves, and liniments. It is also an excellent lubricant, and is valuable as a protective coating for fine steel instruments, etc. Unlike animal fats, vaseline never becomes rancid.

VAT.—(See FOREIGN WEIGHTS AND MEASURES—HOLLAND.)

VATTING.—This is a Custom House term which means the mixing together of wines or spirits of the same sorts, brands, colour, etc., for the purpose of fortifying or strengthening the whole, or for obtaining a uniformity of character.

VAULT.—An underground cellar with an arched roof, generally used for the storage of wines and spirits.

VEDRO.—(See FOREIGN WEIGHTS AND MEASURES—RUSSIA.)

VEGETABLE IVORY.—(See IVORY and COROZO.)

VEGETABLE MARROW.—(See GOURD.)

VELLUM.—(See PARCHMENT.)

VELVET.—A silk fabric, with a thick, fine, close-set pile obtained by means of a second warp, with a looped surface. When made of a mixture of cotton and silk, the material is known as velveteen. Lyons, Crefeld, and Bradford are important centres of the velvet industry, which is also carried on in Italy, Switzerland, and Holland, Genoa, Geneva, and Utrecht being the chief towns engaged in their respective countries. Velveteen is made at Manchester and at Amiens.

VENDEE.—The party to whom a thing is sold, or one who purchases on his own account.

VENDOR.—The person on whose behalf a thing is sold, or one who sells on his own account.

VENDORS' ACCOUNTS.—Adjustments between the vendor or vendors who sell a business or concession to a company are embodied in a series of special entries in the journal of the company, whilst the net result of the transactions will be found in the ledger under the title of "X The vendor." The basis of the adjustments between buyer and seller in such an important issue are usually set out in a proper agreement known as an "Agreement for Sale and Purchase," the agreement being described in the prospectus issued by the company and filed at Somerset House in the manner provided. For the purposes of the accounts a series of annotations should be obtained from this agreement in the form of an epitome of all matters

bearing upon the settlement such as purchase price of the concern taken over the nature of the consideration passing whether certain assets such as freehold property plant leases are to be taken over at a valuation or at the amount standing in the books of the vendor and if any part of the purchase is to be regarded as goodwill. Another important point to consider is the question of debtors and creditors at the date of transferring the business as regards the former it is usually stipulated that the book debts shall be taken over as appearing on the books at the time of signing the agreement whilst as to creditors it may or may not be understood that the business will be disposed of free of debt the conditions as to payment of formation expenses or preliminary expenses must also be noted if the vendor agrees to pay these up to and including allotment a careful record of the details of promotion becomes necessary.

A problem such as the following will with some slight modifications in various respects usually meet the requirements of adjusting accounts with the vendor A B Brothers & Co turn over their business to a company in which the partners severally agree to remain interested as directors some capital being offered to the public for subscription. The balance sheet of the firm at the date of transfer is as appears below.

The Agreement for Sale and Purchase with the new company provides for the sale of the concern at the price of £50,000 to be paid for as to £20,000 in cash and £30,000 in shares but for the purpose of transfer the assets are to be taken over as follows: Buildings £20,000 plant £7,000 debtors £500 stock in trade £500 the balance of the purchase to be regarded as goodwill viz £20,000. Buildings plant and stock having undergone the process of valuation whilst £500 of the book debts represent discounts doubtful and bad debts. The vendors undertake to pay the creditors accounts and the company is to bear the cost of promotion.

The necessary entries to encompass these transactions will be made in the company's books as shown in next column.

Journal

| | £ | s | d | £ | s | d |
|---|--------|---|---|--------|---|---|
| Sundries <i>Dr</i> | | | | | | |
| To A B Brothers & Co the vendors | | | | 80 000 | 0 | 0 |
| Goodwill | 20 000 | 0 | 0 | | | |
| Freehold Buildings | 20 000 | 0 | 0 | | | |
| Plant | 7 000 | 0 | 0 | | | |
| Debtors | 5 000 | 0 | 0 | | | |
| Stock | 5 000 | 0 | 0 | | | |
| In accordance with the agreement for Sale and Purchase dated Dec 31st 19 and the prospectus issued Jan 5th 19 | | | | | | |
| A B Brothers & Co the vendors | | | | | | |
| <i>Dr</i> | 80 000 | 0 | 0 | | | |
| To Sundries | | | | | | |
| Issued Share Capital | | | | 60 000 | 0 | 0 |
| Cash | | | | 20 000 | 0 | 0 |
| being the consideration contained in the above-named agreement and prospectus | | | | | | |

Ledger Account

A B Brothers & Co the vendors

| | £ | s | d | | £ | s | d |
|-------------|--------|---|---|-------------|--------|---|---|
| To Sundries | | | | By Sundries | | | |
| 1 | 80 000 | 0 | 0 | 1 | 80 000 | 0 | 0 |

So far as the agreement is concerned this will adjust the matters connected with the purchase of the business. It is probable the conditions will also

A B BROTHERS & CO
Balance Sheet, 31st Dec 19

| Liabilities | £ | s | d | Assets | £ | s | d |
|---------------------------|--------|---|---|--------------------|--------|---|---|
| Partners Capital Accounts | 63 000 | 0 | 0 | Freehold Buildings | 20 000 | 0 | 0 |
| Sundry Creditors | 3 500 | 0 | 0 | Plant | 30 000 | 0 | 0 |
| Partner A Loan | 5 000 | 0 | 0 | Debtors | 5 000 | 0 | 0 |
| | | | | Stock | 7 500 | 0 | 0 |
| | | | | Cash | 5 000 | 0 | 0 |
| | | | | | | | |
| | 71 500 | 0 | 0 | | | | |

provide for payment of interest by the company, if the settlement is not made by a specified date.

Minor adjustments will also become necessary, as, for instance, the payment of an account by the company due to a creditor of the vendor, or *vice versa*—the receipt by the vendor of an account due by a debtor which by the agreement had been assigned to the company. Again proportionate amounts for rates, insurance, and such like periodical payments will need adjustment between the parties, but all these should be made the subject of a separate account. It is advisable to keep the business of transferring the concern in a distinct set of entries.

VENDORS' SHARES.—When a private business is sold as a going concern to a company, the person who sells it is often willing to accept shares in the company as the whole or as a part of the purchase price instead of cash. The shares may be ordinary shares and rank for dividend *pari passu* with the other shareholders of the company, or they may have special rights accorded to them varying with the peculiar circumstances of the case.

VENEZUELA.—Venezuela ("Little Venice") occupies the north of South America from the Gulf of Maracaibo to British Guiana, and is bounded on the south by Brazil. Its area is nearly 600,000 square miles, and its population almost 2,700,000.

Three zones may be distinguished: (1) The Highlands of Guana, (2) the great grassy plains or llanos of the Orinoco, and (3) the mountains of the Caribbean and Cordilleran Ranges. The climate, speaking generally, is tropical, but on the highlands it is modified by elevation. On the llanos there are two seasons—the wet and the dry. Agriculture is an important industry. On the mountain slopes cacao, coffee, cotton, indigo, rice, and even barley are cultivated. The tropical forest zone produces rubber, excellent timber, tonga beans, copaiaba, and vanilla. On the llanos cattle-raising is largely carried on. Sheep, horses, asses, and pigs are reared in large numbers. Venezuela is rich in metals and other minerals. Gold is found in the Yuruarí Territory, silver in the States of Lara and Los Andes, copper at Aroa, on the Bolívar railway, coal at Coro, and iron at Imataca. Asphalt, lead, petroleum, and tin ore are plentiful. Poor transport facilities and lack of cheap labour are disadvantages to the industry. Manufactures are practically non-existent, even the packing necessary for the export of the tropical produce is imported. The roads of Venezuela are primitive, and goods are conveyed on them by pack animals and small mule carts. The Orinoco provides a route into the interior, but is little used. There are short railway lines from La Guaira to Caracas, and from Tucacá to Aroa and Barquisimeto. The chief ports are La Guaira, Puerto Cabello, Maracaibo, and Bolívar (river port). Most trade is done with the United States, the United Kingdom, Germany, France, and Holland. The chief exports are coffee, cacao, rubber, oxen, hides and skins, gold, asphalt, pearls (from the northern coast), copaiaba and cabinet timber. The imports consist mainly of provisions, cotton goods, hardware, coal, cement, iron and steel goods and machinery.

Caracas (75,000) is the capital and with Valencia is the centre of a rich coffee region.

La Guaira and Puerto Cabello are the two chief Caribbean ports and both have railway connection with Caracas and Valencia.

Maracaibo is an important port on the west, and exports coffee and cocoa.

Other towns are San Fernando de Apure and Nutrias (river ports of the llanos), Guantá (eastern port), and Cariaco (pearling centre).

Venezuela has the climate, the soil, and the minerals necessary for a far greater importance than it has attained.

Mails are despatched once a fortnight via Southampton. Caracas is 4,760 miles distant from London, and the time of transit is about seventeen days.

For map see page 364.

VENTURE.—A consignment of goods made at the risk of the sender, to be sold at the place of destination. The word is also used to denote any speculative transaction.

VERDICT.—The decision arrived at by a jury after the witnesses on both sides have been heard and the judge has summed up the case.

VERDIGRIS.—A powdered acetate of copper, largely made in France by exposing thin sheets of copper to the action of crude acetic acid. In colour it is either blue or green. It is used as a pigment by painters and dyers. The name is also given to the greenish rust of brass or bronze.

VERDITER.—A basic carbonate of copper, used as a blue or green pigment for paper staining. Owing to its poisonous nature, its use is very limited. The varieties are often known as Bremen blue and Bremen green.

VENUE.—This is a legal term and signifies the place to which a jury is summoned for the trial of an action.

VERMICELLI.—(See MACARONI.)

VERMILION.—A permanent bright red pigment, obtained by grinding the native cinnabar (*qv*). It is the red sulphide of mercury, and is now generally prepared artificially by heating a mixture of mercury and sulphur in a revolving vessel until the combination is complete, and afterwards grinding the compound. Vermilion is largely used in the arts, the home supply being supplemented by imports from Germany and France. Imitations known as "vermilionettes" are very common, and the genuine article is often adulterated with chalk, red lead, etc. Its chemical symbol is HgS.

VERMOUTH.—A liqueur usually made of bitter white wine flavoured with wormwood, gentian, and other aromatic herbs. The chief manufacturing countries are France and Italy, where vermouth is much used as an appetiser, especially when diluted. The average alcoholic strength is nearly 20 per cent. Geneva and Marseilles supply the small British demand.

VERSHOK.—(See FOREIGN WEIGHTS AND MEASURES—RUSSIA.)

VERST.—(See FOREIGN WEIGHTS AND MEASURES—RUSSIA.)

VERTICAL FILING.—The method of filing correspondence, etc., in a flat or horizontal position in cabinets of drawers, arranged according to the letters of the alphabet and its subdivisions, is without doubt, the system most used in this country at the present time. It represents, however, only the intermediate stage between chaos and orderliness, and in this capacity has served a useful purpose. With its advent the time arrived when business men recognised that to have their papers kept in a manner that enabled them to seek for any particular letter or document with a reasonable hope of success in finding it meant a saving of

valuable time and a consequent increase of time in which to perform productive work but the death knell of this system progresses as it was at its inception has already been rung and the time is not far distant when it will be almost entirely discarded in favour of the more perfect method of filing known as the Vertical System.

The idea of vertical filing is to keep together all letters both to and from a correspondent in one place. That is to say all copies of letters to a customer or client as well as the inward correspondence from that source are filed together. It will be seen then that the press-copy letter book has no place in this system for the outward letter is being written or else copied by means of a mechanical copier. This original correspondence and the copies of the replies thereto are filed together in a folder which is set apart for each correspondent. The folder which is made of stout paper closely resembles the backs of an exercise book, with a projecting tab which may be numbered with the number allotted to the correspondent or lettered with his name. In this manner the whole of a firm's correspondence is dealt with on the underlying principles being (a) a separate folder for each correspondent (b) inward letters and copies of replies thereto filed together in their proper sequence. When the necessity of referring to a customer's correspondence arises it is necessary only to find the folder and the whole of the correspondence is contained therein. This is a violent contrast to the other systems which make no effort to provide individual files and where letters from one correspondent are mixed up with letters from other correspondents with the same initial and letters to him are scattered through perhaps three or four letter books. Even when at the expenditure of a considerable amount of time the correspondent has been got together it is by no means easy to follow it in its proper sequence nor is the copy letter book as a rule easy to peruse.

As the name given to this most modern system implies these folders are placed vertically in their respective drawers of the filing cabinet their upright position facilitating quick reference as in the case of a card index. Various methods of indexing these folders may be used according to convenience and the suitability of the method to the class of business. The best is what is known as the numerical index an alphabetically arranged card index supplying the key to the numbered folders. They may also be indexed alphabetically or in geographical order the last named method being useful where it is desired to file all correspondence in accordance with the respective ground covered by travellers or the different localities in which branch offices or shops are situated.

One of the many advantages of filing by the vertical system is that the cabinets may grow with the business and as each unit may be added exactly the same height and depth additional units may be placed side by side making a complete whole. The capacity of a single unit correspondence system containing three drawers is about 15,000 letters a four-drawer unit accommodating 20,000 letters. Some makes of cabinets have removable panelled sides so that after the first unit has been purchased the other units need not have sides and may be bolted to the first. Thus the cabinet

grows as has been said with the business it is still one cabinet only capable of infinite expansion with the advantage of uniformity.

Let us now consider the various methods of filing letters by the vertical system. As the numerical system is generally considered the best that will be taken first. Under this method a separate tabbed folder is provided for each correspondent numbered from 1 (in the fore part of the first drawer) upwards. A key to these numbers must be provided and this takes the form of a card index which is sometimes contained in one or two small drawers in the cabinet or in a separate box placed on the top of the cabinet. The card index takes the alphabetical form a separate card being used for each correspondent. The information contained on the card generally consists of the correspondent's name address telephone number telegraphic address and the number of the folder allotted to him. Any other information that may be of use may of course be added. In filing the letters the card index is first consulted to find the numbers of the respective folders each letter being marked with its proper number. The carbon and other copies of the replies are attached and the letters may then speedily be filed in their places. It is usual to place the most recent letter at the front in the folder but this is quite a matter for individual preference. Should a letter require to be filed from a correspondent whose name is not on the card index a card is written out and the next available number allotted to him. Miscellaneous correspondence which is not deemed of sufficient importance to warrant indexing, and a special folder is generally filed in a separate drawer alphabetically. Should any of these correspondents become a regular client or customer it is an easy matter to transfer their letters to the numerical file.

A special advantage of the numerical system of filing is the ease with which cross references may be made. Take for example the case of a contractor for building a new warehouse. One card would be made out for say new premises and a folder number allotted to it. On this same card would also be noted the numbers of the folders of the architect the firms who had tendered the ground and so forth. Thus by turning up at any time the card indexed under the heading of new premises the folders of all correspondents whose letters related to that subject could be gathered together instantly. It is often an advantage for the convenience of circularising or for travellers to be able to find the whole of a firm's customers in any given town. In this case a card or a series of cards would be headed say Manchester and on them would be written the names and addresses of customers with their respective folder numbers and by this means the whole of the correspondence from customers in Manchester could be removed for reference in the minimum of time.

Proceeding now to the alphabetical method of filing correspondence by the vertical system it will be seen at once that no card index will be required for this the names of the correspondents simply being written on the tab of the folder. A set of guide cards lettered with the subdivisions of the alphabet are used so that the location of a correspondent's folder may be readily found. For instance the folder of a correspondent named Boardman would follow the guide card Bo. This system when a firm's correspondence is not very large it is preferred to dispense with

the use of a card index. The respective drawers of the cabinet would be labelled with the letters of the alphabet included in the contents. For instance, the drawers of a four-drawer cabinet would be labelled A to E, I to K, L to O, R to Z. While a three drawer cabinet might consist of the following divisions of the alphabet, A to I, G to O, P to Z.

In some businesses it is an advantage to file letters on a geographical (town or country) basis, so that it may be in keeping with the ground allotted to travellers or the radius of the branch offices. In this case the guide card will indicate the territory, and the folders may follow either in alphabetical or numerical order. In the latter case, of course, the card index would be used, but if the geographical division did not include a large area—if for instance the file were divided up into towns—the alphabetical arrangement would be sufficient. Whether the system adopted be numerical, alphabetical, or geographical, both the letters received and carbon or rotary copies are filed together, forming the complete record of the correspondence.

A great disadvantage of the old method of filing letters on the flat is that, where there is a large amount of correspondence, frequent transfers to storage cases are necessary, as the correspondence soon outgrows the capacity of the cabinet. Moreover, the transfers may not be made at stated times—the end of the year, for instance—on account of several of the drawers of the cabinet being full long before others. The transfer of these must, therefore, be made at once, and it may have to be made several times a year, while such letters as O, Q, V, etc., are not more than half filled at the end of the period. Under the vertical system this disadvantage is not met with, for the contents of the few large drawers may be transferred at long or short fixed intervals, readily and without any difficulty, or may be left and removed at any convenient time without interfering with the proper connection that the careful filer should endeavour to maintain between current and transferred letters. Under the numerical system the correspondence number will always be the same, whether current or transferred, all subsequent transfers being added to the preceding transfers in the respective numbers. If the system of filing has been alphabetical, the whole of the contents of the file may be removed at the end of the year or at any other time. For this purpose, transfer cases are made large enough to take the whole contents of one vertical drawer.

The filing of catalogues, often so unsatisfactorily accomplished, presents no difficulty under the vertical system, if worked in conjunction with a card index. The lists and catalogues from various firms should be filed behind a numbered guide card, catalogues being too bulky as a rule to be contained in a folder. If the number of the guide card is noted on each catalogue as it is filed, it will minimise the risk of its being placed in its wrong division after being removed for reference. The name of the firm issuing the catalogue and their wares must be recorded on the card index, and the goods manufactured or sold by the firm entered on separate cards, to facilitate reference to all the makers of any particular article. For example, on filing a catalogue from, say, the Birmingham Brass Co., Ltd., the index card would be made out as

Birmingham Brass Co., Ltd.,
Colmore Row, Birmingham.

125

Resideable
Dress Plates
H. Handley
Price 10/-

A cross-reference must now be made under the various manufactures. Thus, in the case of D index card of the last named goods—

Price 10/-

Herman & Co., 102
Tubbs Ltd, 118
Wilton Redstrad Co, 120
Birmingham Brass Co., Ltd, 125

Sufficient has been written to illustrate the orderliness, facility of reference, and the extreme adaptability of this system. There seems to be no business to which it may not with advantage be applied. Even the lawyer, whose conservative method of keeping all his papers on each particular subject or action bound together with red tape, he here the very individual who he has been using to an embryo state for generations. The architect may keep all papers concerning any building in the course of construction in a separate folder; the accountant may make use of the system for the purpose of preserving all papers of complete audits for reference at the next audit, and, to return to the business man, a drawer of his cabinet may be utilised for filing all invoices received until the end of the month when they are ready to hand and in individual and alphabetical order to enter in the journal. Although the English man of business is proverbially slow to move, there seem to be no room to doubt that the time is not far distant when the vertical method will be the common filing system in use.

VESTED REMAINDER.—A remainder which has ceased to be contingent and which must certainly fall at some time or other into the possession of the remainderman. (See REMAINDER.)

VETERINARY SURGEONS.—In Latin, *veterina* or *veterina* (plural) were draught cattle or beasts of burden. *veterinarius* was an adjective meaning "belonging to or concerned with beasts of burden"; so *medicina veterinaria* meant farriery or veterinary practice. *Veterinarius* was also a substantive, meaning a cattle-doctor, farrier, or veterinary surgeon. The origin of the rather peculiar word "veterinary" in English thus becomes plain. Veterinary science is described by the writers of the article on that subject in the *Encyclopædia Britannica* as dealing with the conformation and structure of the domesticated animals, especially the horse, their physiology and special racial characteristics, their breeding, feeding, and general hygienic management, their pathology, and the preventive and curative medical and surgical treatment of the diseases and injuries to which they are exposed, their amelioration and improvement; their relations to the human family with regard to communicable maladies, and the supply of food and other products derived from them for the use of mankind. Thus the veterinary surgeon was originally one who publicly professed to deal with animals from the point of view of their medical or surgical treatment, guided by all or any of the considerations above set out, according to the state of science at the time. In England, with the growth

of science the profession of the veterinary surgeon has constantly increased in complexity and its practitioners have required a more advanced professional education. The profession itself has in consequence improved in status and its importance is more fully recognised.

Recognition by the law of practitioners of veterinary medicine and surgery as a profession was not however granted until the Veterinary Surgeons Act 1881 (44 and 45 Vic c. 6.). For the first time this Act amongst other things distinguished between qualified and unqualified practitioners and enacted that the former might and the latter might not recover fees for performing any veterinary operation or giving any veterinary advice. Before the Act no veterinary practitioner could make recognised professional charges. If he had a contract he could sue on the terms of the contract otherwise he could recover only what ever a jury might think he had fairly earned or deserved—*quantum meruit* to use the law phrase. This would be based largely on customary charges in different districts. But in an old case it was held that a veterinary practitioner could not sue on an alleged custom to charge for attendance when not much medicine was required. In such instances proper remuneration could only be secured by contract whereas now by ordinary professional charges a fair rule is laid down.

The Royal College of Veterinary Surgeons. But before the Act of 1881 there had been a certain distinction between qualified and unqualified practitioners by the incorporation of the Royal College of Veterinary Surgeons in the year 1844. A member of the corporation had a superior professional consideration but not a different legal position. This institution chiefly examined students who were taught in various veterinary colleges and gave diplomas to successful students both in England and Scotland there being separate examination Boards in London and Edinburgh respectively. But soon after the incorporation of the College Professor Dick a famous Scottish veterinary surgeon set up a Board in Scotland independent of the English institution and the Highland and Agricultural Society of Scotland granted funds and certificates of proficiency to Scottish students. Dick died in 1866 and the Highland Society ceased to grant certificates but there was still in existence a class of practitioners holding these certificates and they were specially recognised afterwards when the Act of 1881 was passed. Several other charters were granted to the Royal College of Veterinary Surgeons in 1876 and 1877 and the result was that it became the only veterinary degree or diploma granting body for the United Kingdom and Ireland.

The Veterinary Surgeons Act, 1881. The Act of 1881 directed a Registrar to be made and kept of the members of the Royal College of Surgeons published by the Council were to be admitted to evidence. The College was directed to make provision for examining students in the three kingdoms and to admit them as members of the College.

By section 16—

If any person not being a fellow or a member of the College takes or uses any name title addition or description by which initials or letters are added after his name or otherwise stating or implying that he is a fellow or member he is liable to a fine not exceeding £20.

By section 17—

If any person not on the register or holding at the passing of the Act the veterinary certificate of the Highland Society takes or uses the title of veterinary surgeon or practitioner or any name title addition or description stating that he is a veterinary surgeon or practitioner or of any branch thereof or is specially qualified to practise the same he is liable to a maximum fine of £10.

In a case of *The Royal College of Veterinary Surgeons v. Robinson* 1892, 1 Q.B. 557 a blacksmith who had for twenty-five years described his place of business as a veterinary forge was brought under this section the words being held a description stating that he was specially qualified to practise a branch of veterinary surgery.

A chemist published a book dealing with the diseases of horses recommending medicine in which he kept and advising in some cases people to consult a veterinary surgeon and he described himself in the book as pharmaceutical and veterinary chemist. He was prosecuted by the College but it was decided that all the book meant was that if the public choose to ask for particular medicine the chemist kept them for sale. It did not imply anything like an unlawful assuming of the title (*Veterinary College v. Croxson* 1893, 57 J.L. 505).

A person who is not qualified exhibited outside his residence a board with the words Canine Specialist. It was decided that he had used a description stating that he was specially qualified to practise veterinary surgery within the meaning of section 17 (*Royal College of Veterinary Surgeons v. Collinson* 1908, 2 H.B. 248).

By a sub-section of the same section no other than the above mentioned persons are entitled to recover in any court any fee or charge for performing any veterinary operation or for giving any veterinary advice or attendance or for acting in any manner as a veterinary surgeon or veterinary practitioner or for practising in any case veterinary surgery or any branch thereof.

The Registrar. Where the Registrar has reason to think that any person registered has ceased to practise he may send to him an inquiry by post and within three months if he does not receive an answer he may within fourteen days after the expiration of the three months send him by post a registered letter containing another notice referring to the first and if within a month he does not receive an answer to the second notice the registered person will be deemed to have ceased to practise and a person who has ceased to practise may be removed from the register.

By section 6—

At a meeting of the Council at which not less than two-thirds of the members are present and with the consent of three-fourths of the members so present it is not lawful for the name of any person to be removed from the Register—

(a) Who is at the passing of the Act or the Registrar.

(b) Who is after the passing of the Act on the Register.

But the power is to be exercised in the following cases only—

1. At the request or with the consent of the person whose name is to be removed.

2. Where a name has been incorrectly entered or has been fraudulently entered or procured to be entered.

issue a warrant for the arrest. Unless the matter is serious, a summons is often issued in the first instance and there is no warrant granted unless the summons is disobeyed and the alleged offender fails to appear. The warrant must state specifically the offence for which an arrest is made, and it must be read over to the accused and exhibited to him, if required. No warrant is ever issued in respect of a civil debt. Although no person is liable for an action for false imprisonment if a warrant is issued upon his information by a magistrate if the case turns out to be unfounded there is always the liability of an action for malicious prosecution (*qv*). When the charge is one of treason, felony, breach of the peace, or any indictable offence, the warrant may be executed on any day of the week. In other cases no warrant can be executed on a Sunday. (See SUNDAY.)

WARRANT FOR GOODS.—This is a document which is issued by a dock company, a warehouse-keeper, or a wharfinger, stating that the goods named therein are deliverable to the person mentioned, or his assigns by indorsement. (See DOCK WARRANT, WAREHOUSE WARRANT, WHARFINGER'S WARRANT.)

The expression "warehouse-keeper's certificate" (as in the Factors Act, *qv*) is sometimes used instead of the expression "warehouse keeper's warrant."

A certificate or receipt is usually regarded as a mere acknowledgment of goods, and a warrant as a document of title to the goods.

The terms are sometimes used rather loosely and without due regard as to whether the document is merely a receipt, or a warrant stating that the goods are held to the order of the person named or his assigns.

By the Stamp Act, 1891, the stamp duty is—

Warrant for Goods

£ s d
0 0 3

Exemptions—

(1) Any document or writing given by an inland carrier acknowledging the receipt of goods conveyed by such carrier.

(2) A weight note issued together with a duly stamped warrant, and relating solely to the same goods, wares, or merchandise.

And see section 111 as follows—

"(1) For the purposes of this Act the expression 'warrant for goods' means any document or writing, being evidence of the title of any person therein named or his assigns, or the holder thereof, to the property in any goods, wares, or merchandise lying in any warehouse or dock, or upon any wharf, and signed or certified by or on behalf of the person having the custody of the goods, wares, or merchandise.

"(2) The duty upon a warrant for goods may be denoted by an adhesive stamp, which is to be cancelled by the person by whom the instrument is made, executed, or issued.

"(3) Every person who makes, executes, or issues, or receives or takes by way of security or indemnity, any warrant for goods not being duly stamped, shall incur a fine of twenty pounds."

WARRANT OF ATTORNEY.—A written authority given by a client to a solicitor empowering the solicitor to appear and plead for him in an action against the debtor and to suffer judgment for the debt to be entered up against him.

The Stamp duty, by the stamp Act, 1891, is—

Warrant of Attorney to confess and enter up a judgment given as a security for the payment or repayment of money, or for the transfer or retransfer of stock. (See MORTGAGE, *etc.*)

Warrant of Attorney of any other kind 0 10 0
WARRANTIES.—(See WARRANTS AND CONDITIONS.)

WARRANTIES AND CONDITIONS.—It frequently happens that either in the negotiations leading to a contract or in the contract itself one party has made some representation to the other, or has stipulated for the performance by the other party of some act, or for the omission of something, or for the happening of a certain event, and questions constantly arise as to the effect of such a representation or stipulation upon the contract and upon the liabilities of the parties. Such a representation or stipulation may amount to a warranty or to a condition, according to its nature and its effect upon the contract. A condition may be said to be a representation that a thing is, or that a thing shall be, on the truth of which the existence of the contract may depend, and it gives a right of rescission to the injured party if it be falsified. A warranty is an agreement collateral to the main purpose of a contract, the breach of which gives rise to a claim for damages, but not to a right to treat the contract as repudiated. To constitute either a condition or a warranty the representation or stipulation must relate to the subject-matter of the contract, and must not be a mere expression of opinion or commendation or expectation. The test of whether the particular clause is a condition or a warranty is to see whether it goes to the root of the contract, or whether it only affects the consideration, so that a breach may be sufficiently compensated by damages. If the former it is a condition, if the latter a warranty, whatever the parties may have called it in the contract. Conditions and warranties may be either express, that is, made in words by the parties, or implied, that is such as are incorporated by law in the contract unless the parties expressly stipulate otherwise. If the expressed terms are inconsistent with the incorporation of implied terms, the latter will not be deemed to be included in the contract. As to implied warranties, see *ante*, p. 776.

On a contract for the sale of goods certain conditions are implied on the part of the seller—

(a) That he has a right to sell the goods, and, in the case of an agreement to sell, that he will have a right to sell the goods when the property is to pass.

(b) On a contract for the sale of goods by description, that the goods shall correspond with the description, and, if the sale is by sample as well as by description, that the bulk of the goods shall correspond with the description.

(c) Where goods are bought by description from a seller who deals in goods of that description, that the goods shall be of merchantable quality. If, however, the buyer has examined the goods, the implied condition will not extend to defects which ought to have been detected on such examination.

(d) On a sale by sample, that the bulk shall correspond with the sample in quality, that the buyer shall have a reasonable opportunity of comparing the bulk with the sample, and that the goods shall be free from any defect, rendering them unmerchantable, which would not be apparent on reasonable examination of the sample.

(c) Where the buyer expressly or by implication makes known to the seller the particular purpose for which the goods are required so as to show that the buyer relies on the seller's skill or judgment and the goods are of a description which it is in the course of the seller's business to supply (whether he be the manufacturer or not) there is an implied condition that the goods shall be reasonably fit for such purpose provided that in the case of a contract for the sale of a specified article under its patent or other trade name there is no implied condition as to its fitness for any particular purpose. It may be added that an implied warranty or condition as to quality or fitness for a particular purpose may be annexed to a contract by the usage of trade.

If a condition is of such a nature that the liability of the other party only arises on the performance of the condition or the happening of the contingency it is called a condition precedent. If such party's liability ceases on such happening or performance it is a condition subsequent. The performance of a condition precedent will be excused where the other party has prevented its performance or has done something which disables him from performing his part of the contract or has intimated that he does not intend to perform such part. Failure to perform a condition precedent does not necessarily operate as a discharge of the contract for the injured party may elect whether he will treat the contract as at an end or whether he will only regard the failure as a breach of warranty which entitles him to damages.

The remedy for a breach of warranty lies in damages not in the repudiation of the contract. Where the breach is by the seller of goods the buyer is not by reason thereof entitled to reject the goods but he may set up against the seller the breach of warranty in diminution or extinction of the price or maintain an action against the seller for damages. The measure of damages is the estimated loss directly and naturally resulting in the ordinary course of events from the breach of warranty or in the case of breach of warranty of quality the difference between the value of the goods at the time of delivery to the buyer and the value they would have had if they had answered to the warranty. The fact that the buyer has set up the breach of warranty in diminution or extinction of the price does not prevent him from maintaining an action for the same breach of warranty if he has suffered further damage.

The breach of a condition unless waived entitles the injured party to at once rescind the contract or he may if he prefer treat it as a breach of warranty and set off or claim damages as mentioned above. As regards contracts for the sale of goods there are two exceptions to this for where the contract is not severable and the buyer has accepted the goods or part thereof or where the contract is for specific goods the property in which has passed to the buyer the breach of any condition is to be fulfilled by the seller can only be treated as a breach of warranty and not as a ground for rejecting the goods and treating the contract as repudiated unless there is a term of the contract express or implied to that effect. (See also under CAVEAT EMITOR CONTRACT DAMAGES IMPLIED WARRANTIES SALE OF GOODS.)

It is necessary to draw attention to what are called warranties in policies of marine insurance whereby the assured person undertakes either expressly or by implication that some particular

thing shall or shall not be done or that some condition shall be fulfilled or whereby he affirms or negatives the existence of a particular state of facts. These warranties in spite of the name are really conditions and must be exactly complied with whether material to the risk or not and if not so complied with the insurer will (subject to any express provision in the policy) be discharged from liability as from the date of the breach but without prejudice to any liability incurred by him before that date. Non-compliance with these warranties however is excused when by reason of a change of circumstances the warranty ceases to be applicable to the circumstances of the matter or when compliance is rendered unlawful by any subsequent law. A breach of warranty may be waived by the insurer but where a warranty is broken the assured person cannot avail himself of the defence that the breach has been remedied and the warranty complied with before loss.

Warranties in a special sense are also found in connection with the law relating to adulteration. If the defendant in a prosecution under the Sale of Food and Drugs Act proves that he had purchased the article in question as the same in nature substance and quality as that demanded of him by the prosecutor and with a written warranty to that effect that he had no reason to believe that the article was otherwise and that he sold it in the same state as it was when he purchased it he is entitled to be discharged from the prosecution and proceedings under the Acts may then be taken against the person who gave the warranty for the statutory offence of giving a false warranty.

WASTE—Waste in law generally signifies any alteration made in land or premises whereby the value is changed. There are alterations which may in fact increase the value of the land or premises and this is called ameliorative waste. But legally this is an interference with a right of property and if the owner objects the person in default is liable for the waste which has been committed. Generally however waste signifies the allowing of an estate to diminish in value. Waste is either voluntary or permissive. The former consists in doing something such as pulling down a house opening mines ploughing up meadow land etc. while the latter consists in allowing building etc. to get out of repair. Waste is mainly connected with the law of real property and is concerned with the rights enjoyed by a tenant for life (see). Thus a tenant for life is not liable for permissive waste unless the terms of the grant expressly provide that he shall be held responsible. But if the estate is granted without impeachment of waste the tenant for life is not responsible even for voluntary waste unless it is of the kind known as equitable waste i.e. the wilful damage of such things as the mansion house ornamental timber etc.

As to the liability of a tenant for damage done to the demised premises see LANDLORD AND TENANT.

WASTE BOOK—This is a book which is sometimes though erroneously called the day book. In this book entries of business transactions are made as they occur and for a temporary purpose. By this means each transaction whether of purchase or otherwise is shown in chronological order irrespective of its nature. From the waste book the items are entered in proper form into the journal with a view of their being afterwards

WHARF.—A bank on the shore of a harbour or river where vessels can be loaded and unloaded.

A wharf is a "factory" within the meaning of the Factory and Workshop Act 1895, and therefore a "factory" with the meaning of the Workmen's Compensation Act, 1906, but it does not necessarily follow that a canal wharf, upon which no machinery is used is such a factory.

WHARFAGE.—The charge that is made for the use of a wharf when a vessel is discharging her cargo.

WHARFINGER.—The wharfinger is the steamship owners' representative at the dock. Goods arriving for shipment are received by him and checked according to the sender's notes after which he gives a signature for the goods. In the case of any shortage, he, of course, alters the notes as may be necessary, and in the case of damaged goods, due mention of this is made by him on the receipts. When the goods have been received and landed at the shed, the wharfinger enters them in his shipping book, giving date of arrival and full particulars of marks and numbers on the packages, number of packages, and steamer for which they are intended to be shipped. The goods are then ready for shipment, and it is the wharfinger's duty to have the packages marked as being ready for loading into the steamer, pointing out to the stevedore that they may be shipped. Whilst being loaded the wharfinger arranges for a tally to be made, that is to say, a check of every package is made as it is loaded into the steamer. When the steamer has been loaded the wharfinger supplies to the office full particulars of everything which has actually been shipped from which the bills of lading are made out, and if any goods have been received damaged the actual damage is stated on these returns. The remarks regarding damage are thereupon in the bills of lading when being signed. It will thus be seen that it is very important to the shipowner that the wharfinger's returns should be accurate in every way, and discrepancies in the bills of lading might lead to wrong delivery being made at destination, and, further, in the case of any damage, if this is not stated on the bill of lading the steamer is naturally held to be responsible for the damage.

If goods are damaged on arriving by railway for shipment and have not arrived when required for shipment the wharfinger intervenes the railway company, in order that the warrants may be traced and sent on to the steamer without delay.

It may be that the steamer is loading in its cargo at another port, and in this case the wharfinger writes that the cargo is loaded at his port in such a way that when the additional cargo is taken on board the steamer will be in a proper condition to receive it, and if the cargo is loaded at one port and delivered for shipment at another the wharfinger must see that the cargo is in a proper condition to be shipped at the second port, and that it is in the proper condition for shipment at the second port.

The wharfinger is also responsible for the condition of the cargo when it is loaded at his port, and for the condition of the cargo when it is loaded at another port.

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steamer, that is to say, a plan of the various holds of the ship showing how the cargo has been loaded.

In the case of imports, the wharfinger receives a copy of the ship's manifest, which is, in turn, copied into a book at the dock, known as the delivery book. As the steamer is discharging, the wharfinger arranges, as in the case of the shipment of goods, for a tally to be taken as the goods are discharged from the steamer, either direct into conveyance for delivery or on to the quay. When application for the delivery of goods is made, the wharfinger arranges for the goods to be handed over to the consignee, obtaining from the latter the delivery orders, etc. (issued usually at the office). He sees that the goods have been duly examined and passed by the Customs officers, as delivery without any Customs examination taking place makes the steamship owner liable to a severe penalty for such illegal delivery.

At the time of delivery the goods are marked off in the delivery book, and a signature obtained from the carrier, etc., who takes delivery.

If any cargo is landed damaged from the steamer, this must be advised to the office in writing, and arrangements must be made by him for the packages to be repaired as necessary.

At the expiration of a few days from the steamer's discharge, the wharfinger should have made out a list of the goods of which delivery has not been taken, and send same to the office in order that warehousing arrangements can be made as required.

WHARFINGER'S RECEIPT, OR CERTIFICATE.

—This is a document which is issued by a wharfinger (or) acknowledging the receipt of goods committed to his charge or certifying that certain goods are ready for shipment. Such a receipt or certificate is not a document of title, and therefore of no value as a security.

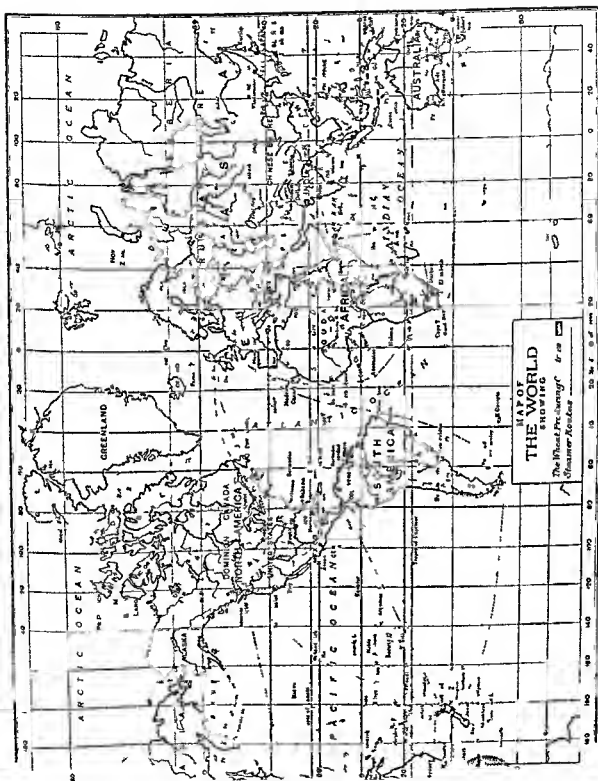
A wharfinger's warrant stating that the goods are deliverable to the person named therein or to his assigns by indorsement, does form a document of title (See DOCK WARRANT, WHARFINGER WARRANT).

WHARFINGER'S WARRANT.—This is a document which is issued by a wharfinger (or) stating that the goods named therein are deliverable to the person mentioned or to his assigns by indorsement.

The remarks which apply to a dock warrant apply equally to a wharfinger's warrant (See DOCK WARRANT).

WHISKY.—An important food drink, of which there are many species. It is cultivated in the temperate as well as in the temperate parts of the world, but varies in composition with the climate. Thus British whisky contains more starch and is more pure than the Indian variety, which is more of a tonic. The term "whisky" is derived from the Gaelic word "uisge beatha," which means the "water of life," and is a name given to the distilled spirit of grain, and is a name given to the distilled spirit of grain, and is a name given to the distilled spirit of grain.

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If goods are advised as arriving by railway for shipment and have not arrived when required for shipment, the wharfinger interviews the railway company, in order that the wagons may be traced and sent alongside the steamer without delay.

It may be that the steamer is loading more cargo at another port, and in this case the wharfinger arranges that the cargo is stowed at his port in such a way that when the additional cargo is taken on board the steamer will be in a proper seaworthy condition, and if the steamer loads cargo at one port destined for two or more ports, the wharfinger must see that the cargo for each port is well separated and handy for discharge, also that when the steamer has discharged at the different ports the vessel will still be in a seaworthy condition.

The wharfinger should also note the draft of the vessel (fore and aft) before she leaves the dock, and that the cargo has been stowed in such a manner that the vessel is in a seaworthy condition and in accordance with the master's instructions.

After the steamer has finished her lading, the wharfinger will go over the quay and see that everything which has been advised for shipment by him to the stevedore has been duly put on board. The wharfinger also makes out the stowage plan of the

steamer, that is to say, a plan of the various holds of the ship showing how the cargo has been loaded.

In the case of imports, the wharfinger receives a copy of the ship's manifest which is, in turn, copied into a book at the dock, known as the delivery book. As the steamer is discharging, the wharfinger arranges, as in the case of the shipment of goods, for a tally to be taken as the goods are discharged from the steamer, either direct into conveyance for delivery or on to the quay. When application for the delivery of goods is made, the wharfinger arranges for the goods to be handed over to the consignee, obtaining from the latter the delivery orders, etc. (issued usually at the office). He sees that the goods have been duly examined and passed by the Customs officers, as delivery without any Customs examination taking place makes the steamship owner liable to a severe penalty for such illegal delivery.

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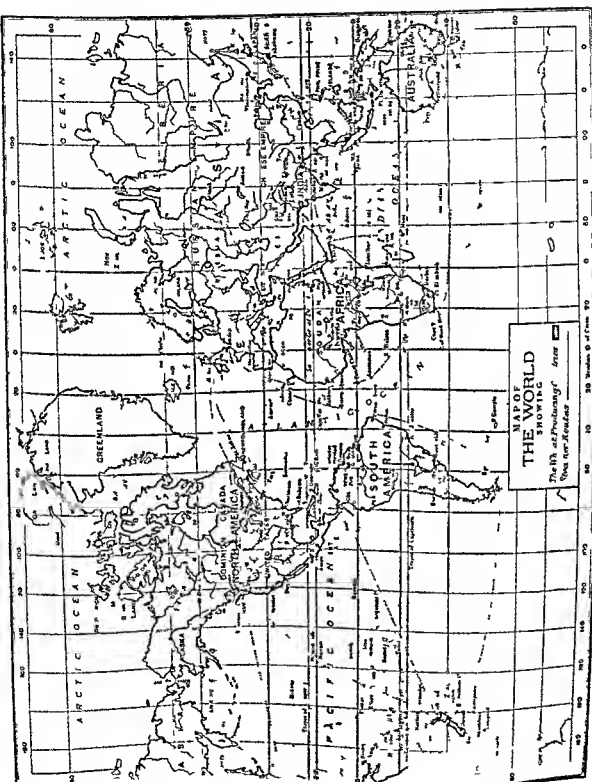
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The remarks which apply to a dock warrant apply equally to a wharfinger's warrant (See DOCK WARRANT).

WHEAT.—An important food grain, of which there are many species. It is cultivated in the tropics as well as in the temperate parts of the world, but varies in composition with the climate. Thus British wheat contains more starch and more moisture than the Indian variety, which is richer in gluten. The species most largely grown is the *Triticum vulgare* or *Triticum sativum*, which forms the staple food of the more highly civilised races being both nutritive and cheap. The crushed grain is flour (*qv*), the outer covering or husk is bran (*qv*), and the stalk, when dried, is straw (*qv*). Great Britain's supplies are supplemented by imports from the United States, Canada, Russia, Roumania, and India.

WHISKY.—A spirit obtained by fermentation and distillation from malted and unmalted cereals and other starch-yielding materials, such as potatoes. Pure malt whisky is made almost exclusively in Scotland. In Ireland a mixed grist of



MAP OF
THE WORLD
SHOWING
The Bt. at Prothonotary line

malt and raw grain is used, and in England much of the whisky is made from malted rye, ground oats, and maize. The best whisky of Scotland and Ireland is made by pot stills, while the English product is a patent-still spirit. When first made, whisky is a colourless liquid, and its various shades are obtained by the addition of some colouring matter, or by storage for several years in sherry casks, which also improves the flavour. Proof spirit consists of equal parts of alcohol and water. Scotch whisky is bonded at 11 per cent over-proof, and Irish whisky at 25 per cent over-proof (O P), but that sold by the retail dealers is generally from 10 to 20 per cent under proof (U P).

WHITE LEAD.—A carbonate of lead obtained by the decomposition of lead with various acids, especially dilute nitric acid. It is a soft, earthy powder, and is much used as a white pigment. It is often adulterated by the addition of chalk. Owing to its poisonous properties and to the costliness of its production, similar preparations are frequently used in the place of white lead.

WHOLESALE.—The buying and selling of goods in large quantities, as opposed to retail, which consists in dealing with small quantities only.

WIGTJE.—(See FOREIGN WRIGHTS AND MEASURES—HOLLAND.)

WILD CAT COMPANY.—A company which is formed with the object of obtaining money from the public for wild or dishonest schemes.

WILLS.—A will, according to English law, is an instrument by which a person (called the testator) provides for the distribution or administration of his property to take effect after his death. A will is by its own nature revocable by the testator during his lifetime, but speaks and operates as if it had been executed not at the date at which, in fact, it was made, but immediately before the death of the testator, unless a contrary intention shall appear by the will. It operates to dispose of all the real and personal estate to which the testator is entitled at the time of his death. A person may also have a power of willing property to which he is not himself entitled, *e.g.*, when he has, under a will, or settlement, or other document, a power of appointment by will over property which he himself does not possess. A testator may, in England, dispose of his property as he wishes, without regarding the natural claims of his wife or children; he may, *e.g.*, give one child practically everything and "cut off another with a shilling," or give him nothing at all.

A will may be conditional. Where a will is made in terms subject to the happening of a certain event, that event must occur to render the will operative; whereas, if the possibility of an event happening is stated merely as the reason for making the will, it becomes operative whether the event happen or not.

It must be remembered that a will dealing with real property, that is, of fixed and immovable property (including leaseholds), is governed generally by the law of the place where the property is situated. The place where such a will is made and the language used are of little consequence, but the execution must be in the form required by the law in force in the country where the property is. Thus a will made in Russia, in order to operate on land in England, must be attested and executed according to the law of England, and must contain words which, when translated into English, would include and transfer the land in question. A will to pass real property in England must be executed in

accordance with the provisions of the Wills Act, 1837, *i.e.*, it must be in writing, and signed at the foot or end thereof by the testator, or by some other person in his presence and by his direction, and such signature must be made or acknowledged by the testator in the presence of two or more witnesses present at the same time, and each witness must attest and subscribe the will in the presence of the testator, but no form of attestation is essential, though it is advisable. It follows, therefore, that if a person is possessed of real estate in other countries than England, for example, in France or Germany, he must make a separate will in accordance with the forms required by each country, in order to deal with any real property situated elsewhere than in England. It should be borne in mind that Scotland and Ireland are for legal purposes foreign countries.

A will, even if made under a Power, must be executed as prescribed by the Wills Act, and if so executed will be deemed to comply with the power, whatever formalities the power may direct.

Where any real estate is devised without any words of limitation, the devise passes the whole estate of the testator, unless the will shows a contrary intention. It is otherwise in the case of a deed, *e.g.*, a devise of Blackacre to A passes the fee simple to A, while a grant by deed would only give A a life estate, unless such words of limitation as to "A and his heirs" or to "A in fee simple" were used.

As to a will of personal estate, that is, of movable property, the law of the country in which the testator is domiciled, or has his permanent home, at the time of his death, prevails as a general rule; and it is, therefore, generally sufficient if a will is executed according to the formalities required by the country of the domicile. By Lord Kingsdown's Act, which was passed in 1861, it is provided that a will made out of the United Kingdom by a British subject, whatever may be his domicile at the time of making the same or at the time of his death, shall, as regards personal estate, be held to be well executed if it is made according to the forms required either by the law of the place where the same was made, or by the law of the place where such person was domiciled when the same was made, or by the laws then in force in that part of the British dominion where he had his domicile of origin, and that every will made within the United Kingdom by a British subject, whatever may be his domicile at the time of making the same, or at the time of his death, shall, as regards personal estate, be held to be well executed if it is executed according to the forms required by the laws for the time being in force in that part of the United Kingdom where the same is made. For example, if a British subject is residing or staying temporarily abroad, he can make a will as to his personal property either in the above-named English form or in the form in vogue in the country where he is residing, or in the form of the country where he is domiciled, or in the form of that part of the British dominions where he had his domicile of origin. (See DOMICIL.)

The forms required for making a will in the following foreign countries are regulated, in some part, with modifications, by the Code Napoleon. In France, Belgium, and Italy a will can be holograph, or by public act, or by secret form. A holograph will to be valid must be written entirely by the testator, and dated and signed by him.

THIS IS THE LAST WILL AND TESTAMENT of me Joseph Brown of No 835 Rainbow Road Mida Vale in the County of London Retired Grocer I REVOKE all prior wills and codicils heretofore executed by me and declare this to be my last will and testament I APPOINT John Smith of Hill House Sector in the County of Wiltshire Chartered Accountant and Alfred Robinson of Mount Pleasant Hall Hingham in the County of Blankshire Solicitor to be the executor and trustee hereof I BEQUEATH to my wife Emily Jane Brown absolutely all the household furniture plate linen china glass books pictures prints musical instruments wines provisions and other household effect and also all my carriages and horses belonging to me at the time of my death and a legacy of £1000 to be paid to her out of the first moneys coming to the hands of my executors I BEQUEATH the following legacies that is to say To each of my executors £250 as an acknowledgment for the trouble of executing my will To Susan Jones my sister the widow of the late James Jones of 826 Strand in the County of London Jeweller £500 and to my sister Mary Brown of 315 High Street Brinktown in the County of Blankshire £1000 AND as to all the rest of my estate and effects both real and personal I DEVISE AND BEQUEATH the same unto my said trustees UPON TRUST to sell and convert into money my said real and residuary personal estates or such parts thereof as shall be of a saleable or convertible nature and to get in the other parts thereof AND I direct my trustees to hold the money to arise from such sale conversion and getting in and any ready money I may die possessed of UPON TRUST thereout in the first place to pay the expenses incidental to the execution of the preceding trust and my debt and funeral and testamentary expenses AND in the next place to pay the pecuniary legacies herein before bequeathed and to invest the surplus of the said moneys AND upon further trust to pay the income of the said moneys and investments to my wife Emily Jane Brown during her life if she shall long continue my widow AND from and after her death or future marriage as to as well the capital as the income of the said moneys and investments UPON TRUST for such of my children as being in full attain the age of twenty one years or being daughters shall attain that age or be married under that age such children if more than one to take in equal shares BUT I DECLARE that the share of each daughter shall be returned by my trustees and held by them UPON TRUST to pay the income thereof to my daughter entitled thereto for her separate use during her life without power of alienation or anticipation AND from and after the death of my same daughter as to as well the capital as the income thereof UPON TRUST for all or any one or more of the issue of my same daughter in such proportions and for such interests to be absolutely vested within twenty one years from her death as she whether covert or discoveri shall from time to time by deed with or without power of revocation and new appointment or by her will appoint BUT no child in whose favour or in favour of any of whose issue an appointment shall be made shall participate under the trust next hereinafter contained in the unappointed portion of the said settled fund without bringing the benefit of such appointment into hotchpot AND in default of appointment or subject to my partial appointment IN TRUST for the children of my same daughter who shall being sons attain the age of twenty-one years or being daughters attain that age or be married under that age such children if more than one to take in equal shares AND if there shall not be any child of my same daughter who being a son shall attain the age of twenty one years or being a daughter shall attain that age or be married then IN TRUST for such persons for such interests and generally in such manner in all respects as my same daughter shall by will appoint AND in default of appointment or subject to any partial appointment IN TRUST for the persons who at the death of my same daughter shall be of kin to her and who under the statute for the distribution of intestates effects would be entitled to her personal estate if she were dead a spinster and intestate such persons to take in the proportions prescribed by the same statutes AND I EMPOWER my same daughter (notwithstanding the trusts herein contained subsequently to be by will to appoint the annual income to accrue due after her death of the said settled fund or any part of such income to and for the life of any husband of the said settled fund or of any I DECLARE that if any son or daughter of mine shall die in my lifetime or if any son of mine shall survive me but die under the age of twenty-one years having issue who shall survive me and be a male shall attain the age of twenty-one years or being female shall attain that age

that age such issue shall take and if more than one equally between them the share which their his or her parent would have taken in my residuary estate if such parent had survived me and lived to attain a vested interest therein AND in case no child or other issue of mine shall acquire an absolutely vested interest by virtue of my will then I direct my trustees to hold the said moneys and investments IN TRUST for such persons for such interests and generally in such manner as my wife she continuing my widow at her death shall by her will appoint AND in default of such appointment or subject to any partial appointment IN TRUST for the persons who at the death or future marriage of my wife shall be of kin to me and who under the statutes for the distribution of the personal effects of intestates would be entitled to my personal estate if I were to die intestate immediately after the death or marriage of my widow such persons to take in the proportions prescribed by the same statutes I EMPOWER my trustees to postpone for such period as they shall judge expedient the sale conversion or getting in of my real and personal estates or any part thereof respectively AND I DECLARE that for the purposes of enjoyment and transmission under the trusts herein contained my real estate shall be considered as money from the time of my death AND that the rents dividends interest and other yearly produce of my real and personal estates respectively to accrue due after my death and until the actual sale conversion and getting in thereof shall as well during the first year after my death as in subsequent years be deemed the income thereof applicable as such for the purposes of the said trusts without regard to the amount of such income or to the wasting or hazardous nature of the investments yielding the same AND that as between the capital and income of my estate no appointment of rents dividends or other periodical payments shall take place for or in respect of the period current at my death I DECLARE that so long as any person not under any disability shall for the time being be entitled to receive the income of the trust fund as tenant for life the power to vary investments conferred by statute shall not be exercised without the previous consent in writing of such person I EMPOWER my trustees with the consent of the respective prior life owners if any and if none at the discretion of my trustees to advance and apply any part not exceeding one-half of the capital to which under any of the dispositions hereinbefore contained each or any infant shall be entitled or presumptively entitled in or towards his or her advancement or preferment in the world I DECLARE that the expression "my trustees" used by me in this my will shall be construed as comprising and referring to the trustees or trustee for the time being of my will and that the power of appointing new trustees of my will shall be exerciseable by my wife during her widowhood and after her death or marriage again by the persons and in manner by law prescribed and that the number of trustees of my will may from time to time be varied but so that the number be not greater than four nor (except as a matter of temporary necessity) less than two AND LASTLY I appoint my wife during her widowhood and after her death or marriage again the said John Smith and Alfred Robinson to be the guardian or guardians of my children during minority IN WITNESS whereof I have hereunto set my hand this nineteenth day of January One thousand nine hundred and thirteen

JOSEPH BROWN

Signed by Joseph Brown the testator as his last will in the presence of us present at the same time who in his presence and at his request and in the presence of each other have subscribed our names as attesting witnesses

ROBERT MARTIN
86 Bedford Square
London
Solicitor.

THOMAS JOHNSON
86 Bedford Square
London
Solicitors' Clerk,

[N B—A will may be printed, typewritten, or otherwise set out as is explained in the text. The signatures of the testator and of the witnesses must be in their handwriting or the will must otherwise executed as the law permits when there are disabilities in the way.]

No other formality is required. A will by public act is one which is received by two notaries in the presence of two witnesses or by one notary in the presence of four witnesses. If it is received by two notaries it must be dictated to them by the testator and be written out by one of the notaries who ever is selected. If there is only one notary it must be in like manner dictated by the testator and written out by the notary. In either case it must be read throughout to the testator in the presence of the witnesses and it must be signed by the testator and by the witnesses. Neither legatees nor their relations nor relatives by marriage to the fourth degree nor clerks of the notaries employed are capable of being witnesses. A secret will may be written by the testator or by some other person but it must be signed by the testator himself. The paper which contains the dispositions or the envelope in which it is placed must be closed and sealed. The testator must present it so closed and seal it to a notary and six witnesses at least or close and seal it in their presence and declare that it contains his will written and signed by him or written by some other person and signed by him. It is the duty of the notary to subscribe the document his subscription being on the paper or on the leaf which serves for the envelope and the subscription must be attested by the witnesses. The witnesses must be males of full age and citizens in full enjoyment of civil rights.

In Spain a will can be holograph public or secret. A holograph will must be on paper stamped with the year of its manufacture and wholly written and signed by the testator with the date on which it is made and it must be presented to a judge of first instance of the last domicile of the testator within five years of that date. If the last formality is not complied with the will is invalid. Foreigners can make a holograph will in the language of the country to which they belong. There are also regulations as to the presentation of this will to a judge after the death of the testator. A public will must be received by a notary in the presence of three witnesses, one of whom must be able to read and write and who must see the testator. The testator is required to make a declaration of his last wishes to the notary. The will with the statement of the place and date is then read aloud, and the testator must declare that it is conformable to his wishes. The document is then signed and attested by those of the witnesses who are able to read and write and the notary must make a declaration to the effect that the testator is capable of making a will. A secret will is made with the same formalities as in France except that only five witnesses are required of whom three must sign. The remaining formalities are in the province of the notary. Women and minors transcribe their person mutes deaf persons those who do not understand the language of the testator persons incapacitated by law and writers clerks servants, and relations of the notary to the fourth degree and relatives by marriage to the second degree, cannot be witnesses. In a public will the witnesses and the legatees cannot be witnesses nor their relations to the fourth degree nor relatives by marriage to the second degree.

In Germany any will can be made in some form before a judge or a notary or by a testament written and signed by the testator with a statement of the place and date for the purpose of a will and the testator must be of legal age.

or two witnesses a notary a second notary or two witnesses. Relations and relatives by marriage in a direct line or to the fourth degree are incapable of acting as judge notary or witness. Attestation by legatees avails their legatees and minors cannot attest. The testator must declare orally to the judge or the notary his last wishes and have them put into writing. A statement must be made in the will of the place and date of the disposition of the testator and the witnesses and of the dispositions of the testator. If a real order and approved by the testator and the witnesses. If the testator is unacquainted with the German language his written wishes must be translated into German by an interpreter. After the execution the will is sealed by the judge or notary in the presence of the above mentioned persons and the testator with the public seal and deposited in a public registry. A certificate of the deposit is handed to the testator. A return of the certificate by the testator operates as a revocation of the will.

As regards capacity to make a will formerly a married woman could only dispose by will of her separate estate. A woman who was married before 1883 can still only make a will with the consent of her husband but if the marriage took place after 1882 a married woman has full power to dispose by will of the whole of her property as if she were unmarried. If she leaves no will her husband is entitled to the whole of her personal property. If not settled.

The will of a man who was so drunk at the time of making it that he did not know what he was doing is void. The will of a lunatic is usually void but it will be valid if it is proved that at the will was executed during a lucid interval even though the testator were a lunatic so found by inquisition at the time. And a will may be set aside if it is shown that its execution was obtained in force fear fraud or undue influence.

A minor cannot make a valid will according to English law—the only exceptions as regards age are those of soldiers who are on actual military service and sailors at sea nor can an outlaw for life has no legal right to any property whatever nor can the subjects of a foreign state at war with this country.

Formerly a will of personal property could be made by public writing without writing but a will of real property had always to be made in writing. A will not in writing is called a nuncupative will but such wills were abolished by the Wills Act 1837. An exception is made in the case of a soldier on active military service or a mariner at sea as far as his personal property is concerned. Either of these may make a will verbally before witnesses so as to dispose of general estate but the Navy and Marine Wills Act 1865 (1867) will enable petty clerks of Marines serving in the field to make the wills of such persons if it should be necessary of wages prize money and effects in the possession of the validity must be in writing.

There are two witnesses to a will it is immaterial as far as the validity of the will is concerned who they are provided they are of legal age and of sound mind and are not related to the testator or to each other by blood or marriage or by affinity or adoption. The witnesses must be of legal age and of sound mind and are not related to the testator or to each other by blood or marriage or by affinity or adoption.

that age such issue shall take and if more than one equally between them the share which their husband or her parent would have taken in my residuary estate if such parent had survived me and lived to attain a vested interest therein AND in case no child or other issue of mine shall acquire an absolutely vested interest by virtue of my will then I direct my trustees to hold the said moneys and investments IN TRUST for such persons for such interests and generally in such manner as my wife she continuing my widow at her death shall by her will appoint AND in default of such appointment or subject to any partial appointment IN TRUST for the persons who at the death or future marriage of my wife shall be of kin to me and who under the statutes for the distribution of the personal effects of intestates would be entitled to my personal estate if I were to die intestate immediately after the death or marriage of my widow such persons to take in the proportions prescribed by the same statutes I EMPOWER my trustees to postpone for such period as they shall judge expedient the sale conversion or getting in of my real and personal estates or any part thereof respectively AND I DECLARE that for the purposes of enjoyment and transmission under the trusts herein contained my real estate shall be considered as money from the time of my death AND that the rents dividends interest and other yearly produce of my real and personal estates respectively to accrue due after my death and until the actual sale conversion and getting in thereof shall as well during the first year after my death as in subsequent years be deemed the income thereof applicable as such for the purposes of the said trusts without regard to the amount of such income or to the wasting or hazardous nature of the investments yielding the same AND that as between the capital and income of my estate no appointment of rents dividends or other periodical payments shall take place for or in respect of the period current at my death I DECLARE that so long as any person not under any disability shall for the time being be entitled to receive the income of the trust fund as tenant for life the power to vary investments conferred by statute shall not be exercised without the previous consent in writing of such person I EMPOWER my trustees with the consent of the respective prior life owners if any and if none at the discretion of my trustees to advance and apply any part not exceeding one-half of the capital to which under any of the dispositions hereinbefore contained each or any infant shall be entitled or presumptively entitled in or towards his or her advancement or preferment in the world I DECLARE that the expression "my trustees" used by me in this my will shall be construed as comprising and referring to the trustees or trustee for the time being of my will and that the power of appointing new trustees of my will shall be exercisable by my wife during her widowhood and after her death or marriage again by the persons and in manner by law prescribed and that the number of trustees of my will may from time to time be varied but so that the number be not greater than four nor (except as a matter of temporary necessity) less than two AND LASTLY I appoint my wife during her widowhood and after her death or marriage again the said John Smith and Alfred Robinson to be the guardian or guardians of my children during minority IN WITNESS whereof I have hereunto set my hand this nineteenth day of January One thousand nine hundred and thirteen

JOSEPH BROWN

ROBERT MARTIN
86 Bedford Square
London
Solicitor.

THOMAS JOHNSON
86 Bedford Square
London
Solicitor & Clerk.

Signed by Joseph Brown the testator as his last will in the presence of us present at the same time who in his presence and at his request and in the presence of each other have subscribed our names as attesting witnesses

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will it was held that the first will operated on the personal property alone. A will which has been destroyed and no longer exists in writing cannot be revived by a codicil even if there is a draft of the will in existence.

Where it is known that a will has been made but cannot be found after the death of the testator and there is no evidence forthcoming that it has been revoked, secondary evidence is admissible to show what its contents were. Declarations of the testator made before the execution of the will, whether oral or in writing, are received as evidence for that purpose. It is more doubtful whether declarations of the testator after the execution of the will are admissible in evidence. It must however be borne in mind that a will left in the deceased's possession and not forthcoming after his death is presumed to have been revoked if there is no evidence to the contrary as there was in the case of the will of Lord St. Leonards where the contents of a lost will were allowed to be proved by a son in witness whose competency and veracity were unimpeachable even though the witness was an interested party. Where it is not possible to ascertain the whole of the contents of a lost will probate will be granted to the extent to which they are ascertained if the court is of opinion that they practically represent the intentions of the deceased.

A testator occasionally wishes in making his will to refer to and include extraneous documents. It should be remembered that it is a rule of law that any papers actually in existence at the date of the execution of a testamentary instrument may be incorporated into it and be valid as if they were part of it if so clearly referred to as to leave no doubt what papers were intended. A document or paper however not in existence at the date of the execution of a will cannot be incorporated into it nor can a testator reserve by his will a power of making a disposition by any subsequent unattested paper e.g. a testator cannot direct legacies given by will to his children to be reduced by what shall appear by his books at his death to have been lent by him to them. Such a direction is void nor can he give to them by will articles which he shall specify in his note-book. A document however which was sufficiently referred to in a will though not in existence at the date of the will may be incorporated if it exists at the date of a codicil to the will and a reference in a codicil to an earlier unattested codicil will incorporate the latter.

It may be noted here that if a parent or a person standing in loco parentis bequeaths to a child a legacy or a share of the residue of his property, and afterwards in his lifetime gives to such child an equal or a less amount than such legacy or share of residue, the bequest will be wholly or pro tanto annulled or satisfied by the later gift (See *Ademption*).

If a person to whom a legacy is given by the will predeceases the testator the legacy (if it lapses or is a share of the residue) and if there is no residuary legatee there is an intestacy as to so much of the estate of the testator as is comprised in the legacy. There is however an important exception to this rule, if a person being a child or other issue of a testator to whom any property is devised or bequeathed by such testator dies in the lifetime of the testator leaving issue and any such issue survives the testator such devise or bequest does not lapse by the death of the devisee or legatee

in the lifetime of the testator but takes effect as if the death of such person had happened immediately after the death of the testator. The result of this is not that the issue of the person takes the devise or bequest but that it passes by the will or intestacy of such devisee or legatee. Similarly, where any person to whom any real estate is devised for an estate tail dies in the lifetime of the testator leaving issue who could inherit under the entail and such issue is living at the testator's death the devise does not lapse.

The word children in a will means primarily legitimate children. If therefore a testator wishes to provide for children of whose legitimacy there is or may be doubt he should identify them by their names or otherwise, how by clear words the object of his benevolence, and not merely describe them as children of A & B. This point is until recently an important one to be considered where a man had gone through the ceremony of marriage with his deceased wife's sister and had a family by her. By reason of the Act of 1907 which permits marriage with a deceased wife's sister the special point has ceased to be of importance so far as such children are concerned for they are now legitimate and the Act is retrospective. In the case of a Jew domiciled in England a marriage according to Jewish custom if not valid according to English law will not be recognized as valid by the English court. In a will the word children *primifacie* includes children by a first and second and third marriage and even step-children may benefit under the description of children if it can be gathered from the will and the circumstances that they were intended to take.

By the rule against what is known as *perpetuities* a testator cannot by his will tie up property for a longer period than a life or lives in being and twenty-one years afterwards (allowance being made for the period of gestation where it actually exists). The effect of this rule is that the income arising from property can be dealt with by leaving the property in the hands of trustees for the benefit of any number of persons who are alive at the time of the testator's death in succession and after the decease of the survivor of them for a further period of twenty-one years so that at the end of such period of twenty-one years the capital must go to some person or persons absolutely. Again a will cannot direct property and income to be accumulated (except for the payment of debt) for a longer period than twenty-one years from the death of the testator or during the minority of any person or persons living at his death or during the minority of any person or persons who will if of full age be entitled to the rents and profits or interest of the property. The rule against *perpetuities* does not apply to legacies for charitable purposes which fall under three main heads: (1) Trusts for relieving poverty, (2) trusts for educational purposes, (3) trusts for the advancement of religion. It may be noted here that a gift for the maintenance of a testator's daughter is a valid gift so is a sum of money to erect a monument to the testator and a condition imposed upon a legatee during his lifetime to keep the testator's vault (outside the church in fact) valid but the above are not charitable gifts.

Previous to 1892 the *Mortmain Act* forbade devises of land to charities (with certain exceptions) but now land like personal estate may be left by will for charitable purposes but must

under a will attests it, and the testator afterwards confirms this will by a codicil duly executed and attested by other witnesses, the effect is to entitle the legatee to receive his legacy. A creditor, with the payment of whose debt the property of the testator is charged by the will, or an executor, is a competent witness.

The best witnesses to choose are persons of understanding and credibility, who are wholly unconnected with the will or anything contained in it, it is not advisable to have the executors or trustees as witnesses, even if neither they nor their husbands or wives, receive any benefit under the will.

Although it was pointed out above that no form of attestation is necessary, it is usual and advisable to state that the formalities required by the Wills Act have been complied with. A common attestation clause is the following—

Signed by the said A B, the testator, in the presence of us, both present at the same time, who in his presence and at his request, and in the presence of each other, have hereunto set our names as witnesses

The two witnesses sign their names after the testator, giving their descriptions and addresses. If a will has no attestation clause, an affidavit by one of the witnesses will be required after the death of the testator before probate will be granted. If it is impossible to obtain the evidence of the attesting witnesses, *e.g.*, if they are both dead, the court will presume the will to have been duly executed, even if there were no attestation clause.

It is not necessary, to make a will valid, that it should take any special form, or be expressed in words technically appropriate to its testamentary character. It is sufficient if, however unusual in form or however untechnical in its phraseology it may be, it makes clear the intention of the testator respecting the destination of his property after his death.

The commonest grounds on which it is sought to invalidate a will, which is in order on the face of it, are the following: (1) that it was not duly executed according to the Wills Act, 1837, (2) that the testator was not of sound mind, memory, and understanding at the time of executing the will, (3) that he did not know and approve of the contents of the will, and (4) that the will was obtained by undue influence.

No obliteration, interlineation, or other alteration made in any will after execution is valid, except so far as the words or effect of the will before such alteration is not apparent, unless such alteration, *etc.*, is executed in the same manner as is required for the execution of a will, but a will with such alteration, *etc.*, as part thereof is duly executed if the signature of the testator and the subscriptions of the witnesses are made in the margin or on some other part of the will opposite or near to such alteration, or at the foot or end of, or opposite to a memorandum referring to such alteration, *etc.*, and written at the end or some other part of the will.

A will may be altered as well as revoked by a codicil properly executed. The codicil, however, only alters a will so far as it is inconsistent with it. Any slight change in a testator's dispositions should be effected by a codicil, otherwise a fresh will should be made. It is an unwise course to make obliterations, interlineations, or alterations in a will once executed, even if it is re-executed.

A will is always revocable during the lifetime of the testator, even though there is a declaration in it to the effect that it is irrevocable. The revocation is complete if a duly executed subsequent will contains a clause expressly revoking a former will, but the description of a testamentary document as the last or last and only will of the testator will not alone have the effect of revoking earlier testamentary papers. Also the will of a man or woman is *de facto* revoked by his or her subsequent marriage except where it is made in exercise of a power of appointment when the real and personal estate thereby appointed would not, in default of the appointment, pass to his or her heir, customary heir, executor or administrator, or to the person entitled as his or her next-of-kin under the Statutes of Distribution, but no will is revoked by any presumption of an intention on the part of a testator. Therefore, unless there is a revocation by implication of law, as above stated, a will, in order to be revoked, must be burned, torn, or otherwise destroyed by the testator or some person in his presence and by his direction with the intention of revoking the same. If a testator has done everything which he considered necessary to revoke his will, the will is not revoked if he has not adopted one of the methods of revocation pointed out, *e.g.*, writing across a will that it is revoked, and tossing it into the wastepaper basket will not revoke the will if in actual fact the will is not destroyed, nor will the partial erasure of the signature with a knife, nor is it sufficient that a will is destroyed by the testator's orders, if it is not done in his presence. When a will is revoked by destruction, or is cancelled, a codicil to the will is not necessarily revoked.

Revocation while the testator is of unsound mind is ineffective, even if he subsequently recovers. A will left in the possession of a testator who afterwards becomes insane must be proved to have been revoked by him while of sound mind. In all cases, revocation is a question of intention, and if the act done, though in itself sufficient to revoke a will, can be shown not to have been committed for the purpose of revoking, the will will not be revoked. Again, if it can be shown that a will was cancelled, with the sole object of making a new will, the original will is not revoked if no new will is executed, nor would the old will be revoked by the new will if the latter is ineffectual, and on the same principle, when the amount of a legacy is obliterated after the execution of a will, and a different amount is written over or interlined, if the substituted legacy is incapable of taking effect, the original legacy remains. Where there are several testamentary documents which are not inconsistent, they will all together be considered the will of the testator, unless some have been revoked.

No will which has been revoked can be revived except by re-execution, or by a codicil executed in the manner before described, showing an intention to revive it. A codicil (*qv*) is generally used to make some change in the dispositions contained in a will, and forms a kind of appendix to the original will. It must be dated, signed, and attested by two witnesses in the same manner as a will. Where a testamentary instrument is revoked by a subsequent instrument, and the latter is in its turn revoked, the former instrument is not thereby revived, *e.g.*, where a testator by his will gave all his property to A, and by a second will gave his real property to B, and then revoked the second

will it was held that the first will operated on the personal property alone. A will which has been destroyed and no longer exists in writing cannot be revived by a codicil even if there is a draft of the will in existence.

It is known that a will has been made but cannot be found after the death of the testator and there is no evidence forthcoming that it has been revoked. Secondary evidence is admissible to show what its contents were. Declaration of the testator made before the execution of the will whether oral or in writing is received as evidence for that purpose. It is more doubtful whether declarations of the testator after the execution of the will are admissible in evidence. It must however be borne in mind that a will left in the deceased's possession and not forthcoming after his death is presumed to have been revoked if there is no evidence to the contrary, as there was in the case of the will of Lord St. Leonards where the contents of a lost will were allowed to be proved by a single witness whose competency and veracity were unimpeachable even though the witness was an interested party. Where it is not possible to ascertain the whole of the contents of a lost will probate will be granted to the extent to which they are ascertained if the court is of opinion that they practically represent the intentions of the deceased.

A testator occasionally wishes in making his will to refer to and include extraneous documents. It should be remembered that it is a rule of law that any papers a testator in existence at the date of the execution of a testamentary instrument may be incorporated into it and be read as if they were part of it. If so clearly referred to as to leave no doubt what papers were intended. A document or paper however not in existence at the date of the execution of a will cannot be incorporated into it nor can a testator reserve to himself a power of making a disposition by any subsequent unattested paper. e.g. a testator cannot direct legal rights by will to his children to be reduced by what shall appear by his books at his death to have been lent to him by them. Such a direction is void nor can he give to them by will articles which he shall specify in his note-book. A document however which was sufficiently referred to in a will though not in existence at the date of the will may be incorporated if it exists at the date of a codicil to the will and a reference in a codicil to an earlier unattested codicil will incorporate the latter.

It may be noted here that if a parent or a person standing in loco parentis bequeaths to a child a legacy or a share of the residue of his property and afterwards in his lifetime gives to such child an equal or a less amount than such legacy or share of residue the bequest will be wholly or partially advoided or satisfied by the later gift (see Ademption).

If a person to whom a legacy is given it is the property of the legatee from the date of the payment of the legacy and if there is no reversion there is an interest as if so much of the date of the testator is comprised in the legacy. There is however an important exception to this rule. If a person makes a legacy either to one of his testator or to whom an interest is reserved or bequeathed by such testator in his lifetime the date of the testator's death is the date of the legacy and the legacy is not payable until the death of the testator.

In the lifetime of the testator but takes effect as if the death of such person had happened immediately after the date of the testator. The result of this is not that the issue of the testator takes the devise or bequest but that it passes to the will or intestacy of such devisee or legatee. Similarly here any person to whom any real estate is devised for an estate tail dies in the lifetime of the testator leaving a son who only inherits under the entail and such issue is included in the testator's death the devise does not lapse.

The word children in a will means legitimate children. It therefore is a statutory rule to provide for illegitimate children. There is or may be a doubt which children are included by their names or otherwise shown by the will of the testator of his beneficiaries and not merely to take them as children of A B. The point was until recently an important one to be considered where a man had gone through the ceremony of marriage with his deceased wife's sister and had a family by her. By reason of the Act of 1907 which permits marriage with a deceased wife's sister the special point has ceased to be of importance. All children are concerned for they are now legitimate and the Act is retrospective. In the case of a Jew domiciled in England a marriage according to Jewish custom, if not valid according to English law will not be recognised as valid by the English court. In a will the word children prima facie includes children by a first and second marriage and even step-children may be included under the description of children if it can be gathered from the will and the circumstances that they were intended to take.

By the rule against what is known as perpetuities a testator cannot by his will tie up property for a longer period than a life or lives in being and twenty-one years afterwards (all waste being made for the period of gestation where it actually exists). The effect of this rule is that the income arising from property can be halted with by leaving the property in the hands of trustees for the benefit of any number of persons who are alive at the time of the testator's death in succession and after the decease of the survivor of them for a further period of twenty-one years so that at the end of such period of twenty-one years the capital must go to some person or persons alive at the time. A will cannot direct property and income to be accumulated for the payment of debts for a longer period than twenty-one years from the death of the testator or during the minority of a person or persons living at his death or during the minority of any person or persons who would be entitled to the rents and profits or interest of the property. The rule against perpetuities does not apply to gifts of life interests to persons who have not yet attained majority. (1) Trusts for relieving poverty. (2) Trusts for educational purposes. (3) Trusts for the relief of religion. It may be noted here that a gift for the maintenance of a testator's dog and I suppose a valid gift as in a sum of money to erect a monument to the testator and a condition imposed upon a legatee of doing his best to keep the testator's servant, it is not valid as it is not a valid gift but the gift is not charitable.

Previous to 1862 the law was that a testator could not bequeath to his wife a life interest in real estate and that the property would pass to his heirs or next of kin.

exceeding fifty pounds then due, has served on the company by leaving the same at its registered office, a demand under his hand requiring the company to pay the sum so due, and the company has for three weeks thereafter neglected to pay the sum, or to secure or compound for it to the reasonable satisfaction of the creditor, or,

"(ii) If in England or Ireland, execution or other process issued on a judgment decree or order by any court in favour of a creditor of the company is returned unsatisfied in whole or in part, or

"(iii) If, in Scotland, the inducæ of a charge for payment on an extract decree, or an extract registered bond, or an extract registered protest have expired without payment being made, or

"(iv) If it is proved to the satisfaction of the court that the company is unable to pay its debts, and, in determining whether a company is unable to pay its debts, the court shall take into account the contingent and prospective liabilities of the company."

Proceedings are commenced in the proper court (see above), and if an order for winding up is granted, the business of the company comes to an end automatically, except for the purposes of the winding up. It is always open to the company itself to present a petition for winding up. But this is of rare occurrence. It is generally a creditor, or a number of creditors, by whom the initial step is taken. Subject to what has been already stated, any ordinary creditor whose debt is £50 or upwards can present a petition. Also any judgment creditor not necessarily a judgment creditor for an amount of £50 or upwards, is entitled to do the same. The court, however, does not favour the presentation of a winding up petition by a creditor whose debt is of a small amount, unless the creditor is supported by a large body of the other creditors. There is no rule laid down as to the exact amount below which even a judgment debt should not stand, but perhaps the £50 standard would be considered as proper. There has been a great diversity of practice during the last few years upon this matter, and the few reported cases give very little help. A judgment creditor for, say, £30, should proceed very warily, and never attempt to present a petition unless he is advised to do so by experienced counsel. The court may grant the petition, but it will probably exercise its disapproval by refusing to make any order as to costs, even though it does, in fact, grant the petition. Under certain conditions, and on giving security for costs, a contingent or prospective creditor may petition. In addition to creditors, a petition may be presented by contributories, and any shareholder may petition if the company fails to file the statutory report, or to hold its statutory meeting. A debenture holder may also present a petition, but not if there is a power in the debenture to appoint a receiver, and this has not been done. An order for winding up a company operates in favour of all creditors and all contributories. A foreign company may be wound up if its business is managed in this country.

An application for an order to wind up a company is made by petition, and the petition must be supported by an affidavit setting forth the whole of the facts upon which the petitioner relies. It is then presented at the office of the registrar of companies who appoints the date and the time for hearing the same. The petition must also be advertised at least seven clear days before the date

of the hearing, once in the *London Gazette*, and once also in a London daily morning newspaper, or in such other newspaper as the registrar directs. This applies to a company which has its registered office within ten miles of the Law Courts in the Strand. In the case of a country company, the advertisement must appear in a local paper circulating in the district where the registered office is situated, in addition to the *London Gazette*. The object of the advertisement is to give public notice of the intended proceedings, so that the creditors and the contributories who have a right to appear may know what is contemplated. The notice of a winding up petition appears so regularly in the daily newspapers that it is unnecessary to say any more of it here, except that all persons who intend to take any part in the proceedings must give notice of such intention not later than six o'clock on the night preceding the day of hearing.

The commencement of the winding up dates from the time of the presentation of the petition. Before the hearing the court has power, in certain cases, to stay all proceedings. If there is no such stay, the petitioner must satisfy the registrar, at least two days before the hearing, that the petition has been duly advertised, that the affidavit verifying it and also the affidavit of proper service on the company have been filed, and that all the provisions of the rules as to the winding up of companies have been complied with. If these conditions are fulfilled the petition comes on for hearing, and the court, in its discretion, may (a) Dismiss the petition, with or without costs, (b) Adjourn the hearing conditionally or unconditionally, (c) Make an interim order, (d) Make a compulsory winding up order, or (e) Make an order to wind up under the supervision of the court. In arriving at its decision the court will consider the wishes of the creditors and the contributories (q v), and also the advantages which are likely to accrue from a winding up. In the absence of assets the court would not until a quite recent date make any order, but it has been decided that it is not now entitled to refuse to do so on the ground only that the assets have been mortgaged to an amount equal to or in excess of those assets, or that the company has no assets.

When the order is made, the carriage of it, i.e., the taking of all proceedings upon it, is generally given to the petitioner. If there are more petitioners than one, the judge decides as to which of them it shall be given. The costs of the petitioner, when they are granted, are a first charge upon the assets of the company, other than those which are secured to the debenture holders. In practice one set of costs only is allowed. If a second petition is presented whilst the first petition is on the file, the second petitioner may be ordered to pay the costs incurred by this supplemental petition. After the order for winding up has been made, the judge may, on good cause shown, stay the proceedings. The order automatically puts an end to all actions and proceedings against the company, just as it puts a stop to the business of the company, unless leave is granted by the court to continue them.

In the preceding paragraph it has been assumed that a winding-up order has been made in the ordinary course. It frequently happens, however, that difficult questions arise, and the proceedings may then become extremely complicated. Also it must not be forgotten that when an order is made by the judge exercising jurisdiction in winding up, there is a right of appeal, provided the appeal is brought

within fourteen days. But if nothing of this kind occurs the affairs of the company are placed in the hands of the Official Receiver who is the Official Receiver in bankruptcy (§ 9) and he returns control until a liquidator (§ 1) is appointed. His main duties consist in receiving a full statement of the affairs of the company and in making a report upon the same. In this report he must further state whether he considers it necessary that there should be a full inquiry into all the matters connected with the promotion, the formation or the failure of the company and the conduct of its business.

The Official Receiver acts at first in the same capacity as he acts in cases of bankruptcy and he holds his position until a liquidator is appointed, the liquidator being a person who corresponds generally to a trustee in bankruptcy. The first duty of the Official Receiver is to summon meetings of the creditors and contributories to determine whether a liquidator should be appointed and whether it is necessary to nominate a committee of inspection consisting of such members as may be decided upon by a meeting of the creditors and the contributories (§ 9). When no liquidator is appointed by the court the official receiver acts as the liquidator of the company. If it is decided to appoint a liquidator a more independent person should be named to fill the position though there is no objection to the secretary of the company being named as liquidator unless there are suspicious circumstances attached to the proceedings of the company and the Official Receiver has reported adversely to the company. The liquidator is entitled to be remunerated by a salary or also by a percentage on the assets realised as the court may direct. The Official Receiver of course receives no remuneration beyond his official salary. When once appointed a liquidator retains his position until he resigns or until he is removed by the court and in any case of vacancy in the office the Official Receiver acts again automatically until a new liquidator is appointed. When a person actually acts as liquidator it is presumed that his appointment is valid. The appointment must be notified to the registrar. It must be advertised and the liquidator must give the security required. There may be more than one liquidator in a winding up and in certain cases a special manager may be appointed to assist in doing such things as are necessary for the benefit of the members.

The liquidator takes under his control or into his custody the whole of the property and the choses in action to which the company is or appears to be entitled and he is in fact the person who has taken the place of the company during its winding up and he is described as such in any proceedings which have to be taken in court. But though he is placed in this position of authority, he must throughout act on behalf of the shareholders and render them every possible assistance in regard to the affairs of the company. His powers are very ample and extend generally speaking to all such things as are necessary to end the existence of the company in a fair and equitable manner. He is entitled to prosecute any action necessary for the recovery of debts and also to sell or otherwise dispose of the property as he thinks fit. In any case of difficulty he is entitled to apply to the court for direction and in the same way any person who is aggrieved by the acts of the

liquidator may seek the court's protection. As in any other business transaction proper books of account must be kept and these must be open to inspection. In all his doings the liquidator is under the general control of the Board of Trade and he is only released from his duties unless he resigns or has been removed and the terms of section 157 of the Act of 1908 which is as follows—

(1) When the liquidator of a company which is being wound up by the court in England has realised all the property of the company or so much thereof as can in his opinion be realised without needlessly protracting the liquidation and has distributed a final dividend in any to the creditors and adjusted the rights of the contributories among themselves and made a final return if any to the contributories or has resigned or has been removed from his office the Board of Trade shall on his application cause a report on his accounts to be prepared and take into consideration the report and any objection which may be urged by any creditor or contributory or person interested against the release of the liquidator and shall either grant or withhold the release accordingly subject nevertheless to an appeal to the High Court.

(2) Where the release of a liquidator is withheld the court may on the application of any creditor or contributory or person interested make such order as it thinks just charging the liquidator with the consequences of an act or default which he may have done or made contrary to his duty.

(3) An order of the Board of Trade releasing the liquidator shall discharge him from all liability in respect of any act done or default made by him in the administration of the affairs of the company or otherwise in relation to his conduct as liquidator but any such order may be revoked on proof that it was obtained by fraud or by suppression or concealment of any material fact.

(4) When the liquidator has not previously resigned or been removed his release shall operate as a removal of him from his office.

Since he has to realise all the assets of the company the liquidator after his appointment proceeds against all those persons who are indebted to the company and also against all those who are bound to it in any other way, especially in respect of any amounts which are outstanding upon the shares that have been issued such shares not having been fully paid up. The persons who are liable to be called upon to pay up any amounts upon their shares are known as contributories (See CONTRIBUTORIES).

It is obvious that great difficulties must often arise as to the lot of a liquidator and that an appeal most on many occasions be made to the court. The position of the liquidator is sufficiently defined in the article devoted to this official and for further information reference must be made to the Act of 1908.

In order to have all the assets of the company under his control it is the duty of the liquidator to collect the whole of the debts due to the company as quickly as possible. He has the right to institute actions against any persons who are liable to him due from them (the part of the courts is debts or as in new the case of trade debts).

it is also possible that there may be debts due from the company itself to some of the debtors of the company. In the settlement of differences, a debtor who is also a trade creditor is always entitled to set off against his own liability as a debtor any debt which is due to him from the company. But when it is a question of calls (*qv*) due from the creditor to the company, no such set off in the shape of trade debts is possible. All calls must be paid first of all, and then the creditor who is a contributory must prove for his debt. The proof of debts is the same as in bankruptcy, and the liquidator must decide as to the admission or the rejection of the proofs which are sent in to him, but his decision is always subject to any appeal which the creditor may desire to make to the court. Debts of every description must be proved, whether present or contingent, just as in the case of bankruptcy (*qv*), and it is specially provided by the Act that the bankruptcy rules are applicable in the winding up of insolvent companies in England and Ireland, whilst special provision is also made for companies which are domiciled in Scotland. So long as the winding up is in progress, every disposition of the property, including *choses in action* (*qv*) of the company, and every transfer of shares or alteration in the status of its members, made after the commencement of the winding up, is null and void, unless the court otherwise orders. Great difficulties frequently arise, in the case of insolvent companies as in the case of bankrupt debtors, as to fraudulent preferences which have been made just prior to the commencement of the winding up, which it must be recollected dates from the presentation of the petition. All such fraudulent preferences made by a company are null and void, as they would have been if made in the case of a bankrupt individual, and the liquidator is entitled to the benefits of any conveyance, mortgage, delivery of goods, payment, execution, or other act relating to the property. Even a floating charge created under certain circumstances within three months of the commencement of the winding up is also void. The similarity which exists between the procedure in winding up and bankruptcy stops short at one point. In bankruptcy a landlord has a right to distrain within certain limits. In a winding up the right to distrain is expressly excluded by Section 211 of the Act. But this refers only to a distrain after the commencement of the winding up, and it appears that the court will not interfere if a distrain is levied before the date of the commencement of the winding up, though not completed until afterwards.

When the liquidator has collected the whole of the available assets of the company, and has paid all the costs incidental to the proceedings connected with the winding up, he must proceed to distribute the residue, if any, in the following manner. First, the rates and taxes due and payable within twelve months prior to the commencement of winding up must be paid. Next, the wages and salaries of workmen employed by the company, limited, in the case of a clerk, to services rendered during the preceding four months and not exceeding £50, and in the case of a workman to two months and £25, are preferred to all other claims (though with special terms applied to the case of a labourer in husbandry), and any sum not exceeding £100 in respect of claims under the Workmen's Compensation Act, 1906. In calculating the amounts

due for service in the case of a clerk or workman, no time is to be taken into consideration after the commencement of the winding up. Just as the death of a master puts an end to a contract of service (see MASTER AND SERVANT), so the winding up of a company equally terminates the engagements of all employees. This rule only applies in the case of a winding up by the court, and not in the case of a voluntary winding up. If the assets of the company are insufficient to pay the above amounts in full, the debts due from the company to them must be diminished proportionately. Also if a landlord has distrained within three months of the commencement of the winding up, he must reimburse the company so as to meet the above charges if the assets are insufficient. All these rules as to preferential payments are the result of numerous Acts, and their provisions have now been collected and brought together in Section 209 of the Act of 1908. After these preferential payments have been provided for, the ordinary creditors of the company are next in order, and their debts are paid proportionately to their claims, if the assets are insufficient to meet the whole. The debenture holders and mortgagees occupy a more favourable position. They are what are called "secured creditors," that is, they have a certain portion, or perhaps the whole, of the property of the company set aside for the purpose of meeting their debts, and with this property the ordinary creditors and the liquidator cannot interfere. They can realise their security independently of the liquidator, as is shown in the article dealing with debentures. If the property which has been secured is insufficient to meet the whole of the demands, they can realise their security and then prove as ordinary creditors for the balance of their debts. If, on the contrary, the security realises more than the amount of the debts, with interest and costs, the balance must be handed over to the liquidator. By an Act passed in 1897, which amended and supplemented the Preferential Payments in Bankruptcy Act, 1888, the payments of rates, taxes, and wages had precedence over debentures and mortgages which are floating charges. The Workmen's Compensation Act, 1906, further deferred debentures and mortgages to claims under the Compensation Act not exceeding £100. These provisions are now embodied in the Act of 1908. Any residue in the hands of the liquidator after all necessary charges have been met is divisible amongst the shareholders in proportion to their holdings.

The expenses connected with winding up may amount to a very considerable sum, and the assets may easily be expended in costs without any benefit to any of the creditors or shareholders. It is always in the power of the liquidator to propose a scheme of liquidation which may be submitted to the court for its sanction and approval.

When all the affairs of the company have been settled, and the liquidator has made his report to the Board of Trade and been released, an order is made by the court dissolving the company from the date of the order. The order must be reported by the liquidator to the registrar of companies, who must enter in his books a minute of the dissolution of the company. A liquidator who fails to perform this duty, which is his final one in connection with the winding up, is liable to a fine of £5 for every day in which he is in default. Where a company has been dissolved, it is possible for an application to be made, on proper grounds being set out, at

any time within two years from the date of the dissolution to have the dissolution set aside. The statutory enactment is set out in Section 223 of the Act of 1908.

Before the dissolution the assets of the company will have generally been entirely disposed of. If there are by chance any assets remaining through inability to trace creditors, shareholders, etc., they become the property of the Crown. There remain, however, the books and papers of the company. When a company is wound up by the court the court itself directs who is to have possession of the same. These books and papers must be forth coming if required at any time within five years from the date of the dissolution of the company, but after the lapse of that period no person is responsible for the production. In the case of a voluntary winding up the right to the possession of the books is decided by an extraordinary resolution of the company.

A company may be wound up without the intervention of the court and on its own initiative. This is called a voluntary winding up as distinguished from the compulsory winding up by the court. Various reasons may be assigned for taking such a course. But the principal one is when a company has been formed to carry out a single object and that object has been completed. The proceedings in a voluntary winding up are similar to those in a compulsory one except that the liquidator is appointed by the company and the court does not of its own motion interfere with any of the acts that are done. A voluntary winding up takes place under Section 192 of the Act of 1908—

(1) When the period (if any) fixed for the duration of the company by the articles expires or the event if any happens on the occurrence of which the articles provide that the company is to be dissolved and the company in general meeting has passed a resolution requiring the company to be wound up voluntarily.

(2) If the company resolves by special resolution that the company be wound up voluntarily.

(3) If the company resolves by extraordinary resolution to the effect that it cannot by reason of its liabilities continue its business and that it is advisable to wind up.

The commencement of the winding up dates from the time of the passing of the resolution authorising the winding up and from that moment the company ceases to carry on its business except in so far as is required to effect a beneficial winding up. The corporate state and powers of the company, however, continue until the company is actually dissolved, that is proceedings are taken during the voluntary winding up in the name of the company and not in that of the liquidator. The special or extraordinary resolution to wind up must be duly advertised in the *Gazette*.

A resolution to wind up a company voluntarily does not prevent a creditor or shareholder from applying to the court for an order for a compulsory winding up, but the court will require very strong evidence of the rights of a creditor being prejudiced before it will make in the matter.

The Official Receiver (*gr*) does not appear in a voluntary winding up and the liquidator appointed by the company. Any vacancy in the appointment must be filled by the general meeting. The liquidator

appointment to the registrar of companies as or in accordance with the form prescribed by the Board of Trade within twenty-one days after his appointment. All the powers and rights of the liquidator are of the same extensive nature as in the case of a compulsory winding up. To him is also confided the power of allowing transfer of shares during the voluntary winding up. Although the court is left in the background as much as possible it is always open to the liquidator or to other parties concerned in the winding up to apply for assistance or for the determination of difficult questions should they arise. But if it is a question as to the removal of a liquidator only the liquidator himself or a contributory or a creditor has a *locus standi* in the court. The payment of all claims is made in the same order as in a compulsory winding up, costs, charges and expenses properly incurred having as before a priority over all other claims.

As soon as all the affairs of the company are arranged the liquidator makes out an account of the winding up and this is communicated to the company at a meeting specially convened for the purpose of which due notice must be given. A return as to the holding of the meeting must be made to the registrar within a week under a penalty of £5 per day payable by the liquidator for every day during which the default continues. The company is dissolved three months after the date of the registration of the return, though it may be rescinded within two years after the date of its dissolution in the same manner as any other company which has been dissolved. The three months mentioned may be extended if any good reasons are advanced for the extension of this time.

The voluntary winding up of a company does not necessarily prevent a creditor or a contributory from applying to the court for an order for a compulsory winding up. This may or may not be granted but it is always open to the court to order that the winding up shall continue as if as but under its supervision. All the usual consequences of winding up follow as already detailed and the liquidator is in this position—he may subject to any restrictions imposed by the court exercise all his powers without the sanction or intervention of the court in the same manner as if the company was being wound up altogether voluntarily. The dissolution of the company follows in the same way as already noticed in the case of a voluntary winding up.

A company which goes into liquidation and is wound up by the order of the court may have come to an untimely end by reason of pure misfortune. In some cases however it is the mismanagement, the misconduct and the fraud of the various officials which have led to this result. In the former case the liquidator or the Official Receiver if there is no liquidator will make a report to the state of affairs and if no charges are made and if there is no cause of action against the officers of the company are nothing more than the ordinary business which has occurred in bankruptcy. But if and there is any allegation of serious fraud the whole of the proceedings may be inquired into and the court summoned before it any of the officials suspected of being connected with such fraud as well as those who can throw light upon the proceedings.

employed for textile purposes is imported from Australia, New Zealand, South Africa, India, and South America. The great centres of the woollen industry in England are Leeds, Huddersfield, and Bradford. The manufacture is also extensively carried on in Scotland, in the West of England, and in Belgium, France, Germany, and the United States. London is the greatest wool market of the world, and a large proportion of the wool imported is for re-exportation.

WORKING CAPITAL.—The working capital of a business is the amount available for conducting its operations after it has been equipped in such a manner as to be in the condition desired in regard to fixed assets. The actual amount of working capital available may decrease considerably from time to time, as not only may some portion of the capital be sunk in adding to the equipment, but may be drawn out of action as working capital by being locked up in a floating asset, to a certain extent permanently. This takes place in such items as stock which cannot be easily realised, and book debts which cannot be collected except by allowing a very long period of credit. Thus, unless a trader is in a strong position as regards available working capital, he may bring about his own failure through lack of care in these directions no less than through want of control over those matters which exhaust working capital permanently, such as exorbitant expenses, etc., leading to losses on his business operations.

WORKING PARTNER.—(See ACTIVE PARTNER.)

WORK IN PROGRESS.—When a factory undergoes the process of stock-taking at the end of its financial year or other period, it is also necessary to assess the amount represented as being expended on such work or works as may be in process of completion, in order that the concern may be in a position to gauge more accurately the amount of its net output, which is arrived at by adding the amount of work in hand at the commencement of the period under review to the amount of finished work turned out during that time, deducting the amount of work in progress at the end. The manner by which this would be shown in a "manufacturing or productive" account (*qv*) will be as shown below.

The balance or prime cost of the articles produced will be debited to the trading account, in which the stock of manufactured goods would appear, though in some cases this may be kept under the factory account.

To arrive accurately at the correct amount to be taken into the accounts at the proper time for Work in Progress, the existence of a proper system of cost accounts working in connection with adequate stock and store ledgers, is a *sine qua non* without such organisation it is not possible to state what amount has been expended upon work in various

stages of completion. But where an up-to-date and efficient administration exists, it is a comparatively simple matter to take an inventory of such jobs as are passing through the factory which have not arrived at the completion stage, and are not in a condition to be taken into account for trading purposes. For every work order issued from the office, it should be possible to state precisely what amount of labour has been expended upon it, and the value of raw materials issued from the stores. To the amount of labour must be added the item of oncost (*qv*) arrived at by a ratio of percentage to wages, this will give the prime cost of the work up to the desired time. No profit in any form should be added, as it is usual to take work in progress into account *at cost* in the same way as stock-in-trade. To facilitate labour in preparing a statement of work in progress, it is merely necessary to tabulate the particulars of each work order giving the amount of labour against each and the material consumed at the date of stock-taking, it is then only necessary to add the oncost to the total of wages extracted, if any particular job requires investigation, it could be singled out. It is very essential that the work in this connection should be carried out systematically and in such a way as will enable the auditors to investigate and verify easily the figures arrived at, as in all probability they will satisfy themselves on this point.

WORKMEN'S COMPENSATION.—The unsatisfactory state of the common law as to liability for injuries sustained by workmen led to a long period of agitation on the part of the workers to improve their lot. The principle of *actio personalis moritur cum persona* (*qv*) was a disastrous thing when one of the parties died before an action for damages for negligence was tried, even though the case of negligence was absolutely clear, and an employer was always able to put in a defence on the off-chance that the doctrine of law might assist him if the delay was only long enough. This doctrine, as is shown elsewhere, was practically destroyed by Lord Campbell's Act, 1846 (*qv*), and an action for damages for negligence was maintainable by the dependants of the deceased, just as he himself would have been entitled to pursue his remedy if he had survived. Again, until 1881, stating the matter quite broadly, no master was liable for any injury sustained by an employee unless negligence could be brought home to him personally or through an agent, and, even in the latter case, if the agency was of a limited character, the master might easily escape owing to the fact that the agent had exceeded his authority. A reference to the article on EMPLOYERS' LIABILITY will show how this state of the law was altered to a considerable extent. But it did not go far enough in certain respects, especially as regarded the doctrine of common employment (*qv*), and the right of contracting out of the Act. All this has now been

Manufacturing Account.

| | £ | s | d |
|-------------------------------------|--------|---|---|
| To work in progress at commencement | 1,000 | 0 | 0 |
| „ Wages, Materials, and Power .. | 10,000 | 0 | 0 |
| | 11,000 | 0 | 0 |

| | £ | s | d |
|--|--------|---|---|
| By Work in Progress at close .. | 1,500 | 0 | 0 |
| „ Balance, being production at factory cost .. | 9,500 | 0 | 0 |
| | 11,000 | 0 | 0 |

completely changed by the legislation of 1897 1906 and 1906

A great authority upon this subject (His Honour Judge Ruegg) has written as follows upon the general scheme of the Act of 1906—

"Before the passing of the Workmen's Compensation Act 1897 the law in the absence of contractual relation never imposed liability upon one person to make compensation to another for personal injury except in cases where the injury was due to some breach of duty on the part of the person occasioning it or on the part of his agents or servants

The Workmen's Compensation Act of 1897 as based upon an introduced a new and somewhat startling principle. By this Act the employer was for the first time made liable to compensate his workmen for injuries quite irrespective of the consideration whether or not either he or anyone for whose acts he was in law liable had committed any breach of duty to which the injury was attributable

The intention of the Act made him an insurer of his workmen against the loss caused by injuries which might happen to them whilst engaged in his work

Thus in insurance it is true was limited in extent by so long as it arose out of and in the course of the employment was quite irrespective of cause

The Act was founded on the German system of insurance of workmen against accidents happening in the course of their employment a system which has now been largely accepted by many of the European States. The Workmen's Compensation Act of 1897 was admittedly a tentative measure. It was applied to a few only of the leading industries in the country. It was in fact an experiment capable of development and meant if successful to develop into a universal scheme of industrial insurance. The first extension towards this end was effected by the passing of the Workmen's Compensation Act 1906 which extended the benefits of the Act of 1897 to workmen engaged in agriculture

The two statutes brought about an all-round position. Certain workmen were protected in the class of their work others were left unprotected. Even workmen generally within the Act found themselves at one time protected at another time not. This position arose from the wording of the Act which confined the liability of the employer to accidents which occurred on or about the premises under his control and upon which his business was carried on

In the year 1906 the Government determined to extend the principle of workmen's compensation to a class of workmen which was universal. It was the class of ordinary miscellaneous happenings in the course of carrying on the work of the employer and he regarded as identical to the expense of carrying on his work and he regarded it as a class within the parties to the work and he regarded it as a class within the parties to the work and he regarded it as a class within the parties to the work

The result was the passing of the Workmen's Compensation Act 1906 in which the liability of the employer was extended to all workmen engaged in his work and he regarded it as a class within the parties to the work and he regarded it as a class within the parties to the work

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so far as they affect accidents happening before the commencement of that Act

The Act of 1906 came into force on July 1 1907 and broadly speaking one that the workman has been entitled to compensation from his employer for personal injury arising from an accident happening to him out of and in the course of his employment and in the definition of workman is a very wide one it is necessary to examine it very closely especially as it includes many persons who would not in the ordinary course of things be held to be such a person. There is one and only one exception to this general liability viz where the injury arises from the serious and wilful misconduct of the workman. It is to be noted that the wording is serious and wilful not serious and wilful that the employer must make out a very strong case in order to establish statutory liability. And even where there has been serious and wilful misconduct on the part of the workman compensation is in a general way the exception does not apply if the workman dies leaving dependants behind him or if his injuries are such as to result in his being permanently disabled

It is almost unnecessary to add that there is no longer any power to contract out of the provisions of the Act unless a firm or a company is exempted from that provided by the Act and it is not up to the employer for the benefit of the workman. It will be seen by reference to Section 1 of the Act that any such exemption is not allowed

The Workmen's Compensation Act has not repealed the Employers' Liability Act 1900 nor has it done away with the criterion of a fault or negligence. In cases of injury any one of the three of the remedies provided may be awarded. The compensation cannot be obtained unless more than one head. Generally speaking the workman is put to his election before proceedings are taken. In certain cases where a wrong course is followed as for example where he sues under the Employers' Liability Act and is unsuccessful a though it is perfectly entitled under the Compensation Act he may be awarded compensation under the latter Act but only on condition that he will not sue under the Employers' Liability Act and he will not sue under the latter Act. The amount of the compensation is determined by the practice is always a substantial sum and is given by the Commission of the latter Act unless a workman is a class of workmen who are not covered by the latter Act. The amount of the compensation is determined by the practice is always a substantial sum and is given by the Commission of the latter Act unless a workman is a class of workmen who are not covered by the latter Act

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The balance or prime cost of the articles produced will be debited to the trading account, in which the stock of manufactured goods would appear, though in some cases this may be kept under the factory account.

To arrive accurately at the correct amount to be taken into the accounts at the proper time for Work in Progress, the existence of a proper system of cost accounts working in connection with adequate stock and store ledgers, is a *sine qua non*, without such organisation it is not possible to state what amount has been expended upon work in various

stages of completion. But where an up-to-date and efficient administration exists, it is a comparatively simple matter to take an inventory of such jobs as are passing through the factory which have not arrived at the completion stage, and are not in a condition to be taken into account for trading purposes. For every work order issued from the office, it should be possible to state precisely what amount of labour has been expended upon it, and the value of raw materials issued from the stores. To the amount of labour must be added the item of oncost (*qv*) arrived at by a ratio of percentage to wages, this will give the prime cost of the work up to the desired time. No profit in any form should be added, as it is usual to take work in progress into account at cost in the same way as stock-in-trade. To facilitate labour in preparing a statement of work in progress, it is merely necessary to tabulate the particulars of each work order giving the amount of labour against each and the material consumed at the date of stock-taking, it is then only necessary to add the oncost to the total of wages extracted; if any particular job requires investigation, it could be singled out. It is very essential that the work in this connection should be carried out systematically and in such a way as will enable the auditors to investigate and verify easily the figures arrived at, as in all probability they will satisfy themselves on this point.

WORKMEN'S COMPENSATION.—The unsatisfactory state of the common law as to liability for injuries sustained by workmen led to a long period of agitation on the part of the workers to improve their lot. The principle of *actio personalis moritur cum persona* (*qv*) was a disastrous thing when one of the parties died before an action for damages for negligence was tried, even though the case of negligence was absolutely clear, and an employer was always able to put in a defence on the off-chance that the doctrine of law might assist him if the delay was only long enough. This doctrine, as is shown elsewhere, was practically destroyed by Lord Campbell's Act, 1846 (*qv*), and an action for damages for negligence was maintainable by the dependants of the deceased, just as he himself would have been entitled to pursue his remedy if he had survived. Again, until 1881, stating the matter quite broadly, no master was liable for any injury sustained by an employee unless negligence could be brought home to him personally or through an agent, and, even in the latter case, if the agency was of a limited character, the master might easily escape owing to the fact that the agent had exceeded his authority. A reference to the article on EMPLOYERS' LIABILITY will show how this state of the law was altered to a considerable extent. But it did not go far enough in certain respects, especially as regarded the doctrine of common employment (*qv*), and the right of contracting out of the Act. All this has now been

Manufacturing Account.

| | £ | s | d. | | £ | s | d. |
|-------------------------------------|---------|---|----|---|---------|---|----|
| To work in progress at commencement | 1,000 | 0 | 0 | By Work in Progress at close | 1,500 | 0 | 0 |
| „ Wages, Materials, and Power | 10,000 | 0 | 0 | „ Balance, being production at factory cost | 9,500 | 0 | 0 |
| | £11,000 | 0 | 0 | | £11,000 | 0 | 0 |

completely changed by the legislation of 1897 1906 and 1906

A great authority upon this subject (His Honour Judge Puggs) has written as follows upon the general scheme of the Act of 1906—

Before the passing of the Workmen's Compensation Act 1897 the law in the absence of contractual relation never imposed liability upon one person to make compensation to another for personal injury except in cases where the injury was due to some breach of duty on the part of the person occasioning it or on the part of his agents or servants

The Workmen's Compensation Act of 1897 was based upon and introduced a new and somewhat startling principle. By this Act the employer was for the first time made liable to compensate his workmen for injuries quite irrespective of the consideration whether or not either he or anyone for whose acts he was in law liable had committed any breach of duty to which the injury was attributable

The intention of the Act made him an insurer of his workmen against the loss caused by injuries which might happen to them whilst engaged in his work

This insurance it is true was limited in extent but so long as it arose out of and in the course of his employment was quite irrespective of cause

The Act was founded on the German system of insurance of workmen against accidents happening in the course of their employment a system which has since been largely accepted by many of the European States. The Workmen's Compensation Act of 1897 was admittedly a tentative measure. It was applied to a few only of the leading industries of the country. It was in fact, an experiment capable of development and meant if successful to develop into a universal scheme of industrial insurance. The first extension towards this end was effected by the passing of the Workmen's Compensation Act 1900 which extended the benefits of the Act of 1897 to workmen engaged in agriculture

The two statutes brought about an illogical position. Certain workmen were protected in the course of their work others were left unprotected. Even workmen generally within the Act found themselves at one time protected at another time not. This position arose from the wording of the Act which confined the liability of the employer to accidents which occurred on or about the premises under his control and upon which his business was carried on

In the year 1908 the Government determined to extend the principle of workmen's compensation and to make it something like universal. It was argued that all ordinary misadventures happening to workmen in the course of carrying on the work of the country should be regarded as industrial and the expense of carrying on such work and ought to be charged upon the parties interested and that the employer should be responsible for it or not the misadventure was to be decided by neglect or fault

The result was the passing of the Workmen's Compensation Act, 1908 in which the broad principle of universal insurance against industrial accidents was extended to all persons whose employment was carried on in the course of business and in the course of which the employer was to be held liable

By the present Act (the Act of 1906) the former Acts of 1897 and 1900 have been repealed save in

so far as they affect accidents happening before the commencement of that Act

The Act of 1906 came into force on July 1st 1907 and broadly speaking since that date every workman has been entitled to compensation from his employer for personal injury arising from an accident happening to him out of and in the course of his employment and since the definition of workman is a very wide one it is necessary to examine it very closely (especially as it includes many persons who could not in the ordinary course of things be held to be in that position)

There is one and only one exception to the general liability viz where the injury arises from the serious and wilful misconduct of the workman. It is to be noted that the words "serious and wilful misconduct" are used so that the employer must make out a very strong case in order to avoid his statutory liability. And even where there has been serious and wilful misconduct on the part of the workman the employer is not relieved of his liability. The exception does not apply if the workman dies leaving dependants behind him or if his injuries are such as to cause him to be seriously and permanently disabled

It is almost unnecessary to add that there is no longer any power to contract outside the provisions of the Act unless some more advantageous scheme than that provided by the legislation of 1906 is the employer for the benefit of the workman. It will be seen by reference to Section 3 of the Act that any such scheme is not encouraged

The Workmen's Compensation Act has not repealed the Employers' Liability Act 1880 nor has it done away with the common law action for negligence. In cases of injury any one or all three of the remedies provided may be available. But compensation cannot be obtained under more than one head. Generally speaking the workman is put to his election before proceedings are taken but in certain cases where a wrong course is adopted as for example where he sues on or under the Employers' Liability Act and is unsuccessful although he is perfectly entitled under the Compensation Act to be may be awarded compensation under the latter Act but only on condition that the costs thrown away by his erroneous proceedings are paid out of the amount of the compensation awarded. In practice it is always advisable to opt for the remedy given by the Compensation Act unless it is obviously clear that there is an unanswerable case either at common law or under the Employers' Liability Act

The amount of litigation caused by this new statute as a departure has been enormous. Most of the points however in connection with liability have been decided and the judicial authorities are in a position to say that the compensation awarded is as a rule fairly and equitably arrived at. As no sane employer is now uneducated to the nature of his liability he is in a position to take the necessary precautions to avoid accidents of this kind in the future

One other point in way of reference which is a common law action of damages is that in a case of injury to a workman which is not covered by the Compensation Act the employer is liable to pay damages for the injury and also for the loss of earnings and for the loss of the workman's services. The damages for the injury are to be assessed by the jury and the loss of earnings and services are to be assessed by the judge. The damages for the injury are to be assessed by the jury and the loss of earnings and services are to be assessed by the judge.

For the purpose of reference, the Act of 1906 is here set out in full, with the exception of the usual introduction to Acts of Parliament in general, viz, that the same is enacted by the Sovereign by and with the consent of the two Houses of Parliament—

1.—(1) If in any employment personal injury by accident arising out of and in the course of the employment is caused to a workman, his employer shall, subject as hereinafter mentioned, be liable to pay compensation in accordance with the First Schedule to this Act

(2) Provided that—

(a) The employer shall not be liable under this Act in respect of any injury which does not disable the workman for a period of at least one week from earning full wages at the work at which he was employed.

(b) When the injury was caused by the personal negligence or wilful act of the employer or of some person for whose act or default the employer is responsible, nothing in this Act shall affect any civil liability of the employer, but in that case the workman may, at his option, either claim compensation under this Act or take proceedings independently of this Act, but the employer shall not be liable to pay compensation for injury to a workman by accident arising out of and in the course of the employment both independently of and also under this Act, and shall not be liable to any proceedings independently of this Act, except in case of such personal negligence or wilful act as aforesaid

(c) If it is proved that the injury to a workman is attributable to the serious and wilful misconduct of that workman, any compensation claimed in respect of that injury shall, unless the injury results in death or serious and permanent disablement, be disallowed

(3) If any question arises in any proceedings under this Act as to the liability to pay compensation under this Act (including any question as to whether the person injured is a workman to whom this Act applies), or as to the amount or duration of compensation under this Act, the question, if not settled by agreement, shall, subject to the provisions of the First Schedule to this Act, be settled by arbitration, in accordance with the Second Schedule to this Act

(4) If, within the time hereinafter in this Act limited for taking proceedings, an action is brought to recover damages independently of this Act for injury caused by any accident, and it is determined in such action that the injury is one for which the employer is not liable in such action, but that he would have been liable to pay compensation under the provisions of this Act, the action shall be dismissed, but the court in which the action is tried shall, if the plaintiff so choose, proceed to assess such compensation, but may deduct from such compensation all or part of the costs which, in its judgment, have been caused by the plaintiff bringing the action, instead of proceeding under this Act. In any proceeding under this sub-section, when the court assesses the compensation it shall give a certificate of the compensation it has awarded and the directions it has given as to the deduction for costs, and such certificate shall have the force and effect of an award under this Act

(5) Nothing in this Act shall affect any proceeding for a fine under the enactments relating to mines, factories, or workshops, or the application of any such fine

2.—(1) Proceedings for the recovery under this Act of compensation for an injury shall not be maintainable unless notice of the accident has been given as soon as practicable after the happening thereof and before the workman has voluntarily left the employment in which he was injured and unless the claim for compensation with respect to such accident has been made within six months from the occurrence of the accident causing the injury, or, in case of death, within six months from the time of death

Provided always that—

(a) the want of or any defect or inaccuracy in such notice shall not be a bar to the maintenance of such proceedings if it is found in the proceedings for settling the claim that the employer is not, or would not, if a notice or an amended notice were then given, and the hearing postponed, be prejudiced in his defence by the want, defect, or inaccuracy, or that such want, defect, or inaccuracy was occasioned by mistake, absence from the United Kingdom, or other reasonable cause, and

(b) the failure to make a claim within the period above specified shall not be a bar to the maintenance of such proceedings if it is found that the failure was occasioned by mistake, absence from the United Kingdom, or other reasonable cause

(2) Notice in respect of an injury under this Act shall give the name and address of the person injured, and shall state in ordinary language the cause of the injury and the date at which the accident happened, and shall be served on the employer, or, if there is more than one employer, upon one of such employers

(3) The notice may be served by delivering the same at, or sending it by post in a registered letter addressed to, the residence or place of business of the person on whom it is to be served

(4) Where the employer is a body of persons, corporate or unincorporate, the notice may also be served by delivering the same at, or by sending it by post in a registered letter addressed to the employer at the office, or, if there be more than one office, any one of the offices of such body

3.—(1) If the Registrar of Friendly Societies, after taking steps to ascertain the views of the employer and workmen, certifies that any scheme of compensation, benefit, or insurance for the workmen of an employer in any employment, whether or not such scheme includes other employers and their workmen, provides scales of compensation not less favourable to the workmen and their dependants than the corresponding scales contained in this Act, and that, where the scheme provides for contributions by the workmen, the scheme confers benefits at least equivalent to those contributions, in addition to the benefits to which the workmen would have been entitled under this Act, and that a majority (to be ascertained by ballot) of the workmen to whom the scheme is applicable are in favour of such scheme, the employer may, whilst the certificate is in force, contract with any of his workmen that the provisions of the scheme shall be substituted for the provisions of this Act, and thereupon the employer shall be liable only in accordance with the scheme, but, save as aforesaid, this Act shall apply notwithstanding any contract to the contrary made after the commencement of this Act

(2) The Registrar may give a certificate to expire at the end of a limited period of not less than five years, and may from time to time renew with or

without modifications such a certificate to expire at the end of the period for which it is renewed.

(3) No scheme shall be so certified which contains an obligation upon the workmen to join the scheme as a condition of their hiring or which does not contain provisions enabling a workman to withdraw from the scheme.

(4) If complaint is made to the Registrar of Friendly Societies by or on behalf of the workmen of any employer that the benefits conferred by any scheme no longer conform to the conditions stated in sub-section (1) of this section or that the provisions of such scheme are being violated or that the scheme is not being fairly administered or that satisfactory reasons exist for revoking the certificate the Registrar shall examine into the complaint and if satisfied that good cause exists for such complaint shall unless the cause of complaint is removed revoke the certificate.

(5) When a certificate is revoked or expires any moneys or securities held for the purpose of the scheme shall after due provision has been made to discharge the liabilities already accrued be distributed as may be arranged between the employer and workmen or as may be determined by the Registrar of Friendly Societies in the event of a difference of opinion.

(6) Whenever a scheme has been certified as aforesaid it shall be the duty of the employer to answer all such inquiries and to furnish all such accounts in regard to the scheme as may be made or required by the Registrar of Friendly Societies.

(7) The Chief Registrar of Friendly Societies shall include in his annual report the particulars of the proceedings of the Registrar under this Act.

(8) The Chief Registrar of Friendly Societies may make regulations for the purpose of carrying this section into effect.

4—(1) Where any person (in this section referred to as the principal) in the course of or for the purposes of his trade or business contracts with any other person (in this section referred to as the contractor) for the execution by or under the contractor of the whole or any part of any work undertaken by the principal the principal shall be liable to pay to any workman employed in the execution of the work any compensation under this Act which he would have been liable to pay if that workman had been immediately employed by him and where compensation is claimed from or proceedings are taken against the principal then in the application of this Act references to the principal shall be substituted for references to the employer except that the amount of compensation shall be calculated with reference to the earnings of the workman under the employer by whom he is immediately employed.

(2) (a) That where the contract relates to threshing, ploughing or other agricultural work and the contractor provides and uses machinery and employs men and power for the purpose of such work he alone shall be liable under this Act to pay compensation to any workman employed by him on such work.

(b) Where the principal is liable to pay compensation under this section he shall be entitled to be indemnified by any person who would have been liable to pay compensation to the workman if it were not for this section and all questions as to the right to and amount of any such indemnity shall in default of agreement be settled by arbitration in accordance with the provisions of the Arbitration Act 1906.

In this section shall be construed as

preventing a workman recovering compensation under this Act from the contractor or from the principal.

(4) This section shall not apply in any case where the accident or injury elsewhere than on or in or about premises on which the principal has undertaken to execute the work or which are otherwise under his control or management.

5—(1) Where any employer has entered into a contract with any insurers in respect of any liability under this Act to any workman then in the event of the employer becoming bankrupt or making a composition or arrangement with his creditors or if the employer is a company in the event of the company having commenced to be wound up the rights of the employer against the insurers in respect of that liability shall notwithstanding anything in the enactments relating to bankruptcy or in the winding up of companies be transferred to and vest in the workman and upon such transfer the insurers shall have the same rights as if it were the employer so however that the insurers shall not be under any greater liability to the workman than they would have been under to the employer.

(2) If the liability of the insurer to the workman is less than the liability of the employer to the workman the workman may prove for the balance in the bankruptcy or liquidation.

(3) There shall be included among the debts due to the workman under Section 1 of the Preferential Payments in Bankruptcy Act 1898 and Section 4 of the Preferential Payments in Bankruptcy (Ireland) Act 1889 are in the distribution of the property of a bankrupt and in the distribution of the assets of a company being wound up to be paid in priority to all other debts the amount not exceeding in any individual case £100 due in respect of any compensation the liability whereof accrued before the date of the receiving order or the date of the commencement of the winding up and those Acts and the Preferential Payments in Bankruptcy Amendment Act 1897 shall have effect accordingly. Where the compensation is a weekly payment the amount due in respect thereof shall for the purpose of this provision be taken to be the amount of the lump sum for which the weekly payment could if redeemable be redeemed if the employer made an application for that purpose under the first Schedule to this Act.

(4) In the case of the winding up of a company within the meaning of the Statutes Act 1884 such an amount as aforesaid if the compensation is payable to a minor or the dependants of a minor shall have the like priority as is conferred on wages of miners by Section 9 of that Act and it shall be a condition precedent to the effect of this section.

(5) The provisions of this section with respect to preferences and priorities shall not apply to the bankrupt or the company being wound up who has entered into such a contract with insurers as aforesaid.

(6) This section shall not apply where a company is wound up voluntarily for the purpose of reconstruction or for any other purpose.

8.—Where a workman is injured or killed in the course of his employment by or under the contractor or the principal or the contractor or the principal is liable to pay compensation to the workman in respect of such injury or death the contractor or the principal shall be liable to pay compensation to the workman in respect of such injury or death.

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against that person to recover damages and against any person liable to pay compensation under this Act for such compensation, but shall not be entitled to recover both damages and compensation; and

(2) If the workman has recovered compensation under this Act, the person by whom the compensation was paid, and any person who has been called on to pay an indemnity under the section of this Act relating to sub-contracting, shall be entitled to be indemnified by the person so liable to pay damages as aforesaid, and all questions as to the right to and amount of any such indemnity shall, in default of agreement, be settled by action or, by consent of the parties, by arbitration under this Act

7.—(1) This Act shall apply to masters, seamen, and apprentices to the sea service and apprentices in the sea-fishing service, provided that such persons are workmen within the meaning of this Act, and are members of the crew of any ship registered in the United Kingdom, or of any other British ship or vessel of which the owner, or (if there is more than one owner) the managing owner, or manager resides or has his principal place of business in the United Kingdom, subject to the following modifications—

(a) The notice of accident and the claim for compensation may, except where the person injured is the master, be served on the master of the ship as if he were the employer, but where the accident happened and the incapacity commenced on board the ship it shall not be necessary to give any notice of the accident

(b) In the case of the death of the master, seaman, or apprentice, the claim for compensation shall be made within six months after news of the death has been received by the claimant.

(c) Where an injured master, seaman, or apprentice is discharged or left behind in a British possession or in a foreign country, depositions respecting the circumstances and nature of the injury may be taken by any judge or magistrate in the British possession, and by any British consular officer in the foreign country, and if so taken shall be transmitted by the person by whom they are taken to the Board of Trade, and such depositions or certified copies thereof shall in any proceedings for enforcing the claim be admissible in evidence as provided by Sections 691 and 695 of the Merchant Shipping Act, 1894, and those sections shall apply accordingly.

(d) In the case of the death of a master, seaman, or apprentice, leaving no dependants, no compensation shall be payable if the owner of the ship is, under the Merchant Shipping Act, 1894, liable to pay the expenses of burial.

(e) The weekly payment shall not be payable in respect of the period during which the owner of the ship is, under the Merchant Shipping Act, 1894, as amended by any subsequent enactment, or otherwise, liable to defray the expenses of maintenance of the injured master, seaman, or apprentice.

(f) Any sum payable by way of compensation by the owner of a ship under this Act shall be paid in full, notwithstanding anything in Section 503 of the Merchant Shipping Act, 1894 (which relates to the limitation of a shipowner's liability in certain cases of loss of life, injury, or damage), but the limitation on the owner's liability imposed by that section shall apply to the amount recoverable by way of indemnity under the section of this Act relating to remedies both against employer and stranger as if

the indemnity were damages for loss of life or personal injury:

(g) Sub-sections (2) and (3) of Section 174 of the Merchant Shipping Act, 1894 (which relates to the recovery of wages of seamen lost with their ship), shall apply as respects proceedings for the recovery of compensation by dependants of masters, seamen, and apprentices lost with their ship as they apply with respect to proceedings for the recovery of wages due to seamen and apprentices, and proceedings for the recovery of compensation shall in such a case be maintainable if the claim is made within eighteen months of the date at which the ship is deemed to have been lost with all hands

(2) This Act shall not apply to such members of the crew of a fishing vessel as are remunerated by shares in the profits or the gross earnings of the working of such vessel

(3) This section shall extend to pilots to whom Part X of the Merchant Shipping Act, 1894, applies, as if a pilot when employed on any such ship as aforesaid were a seaman and a member of the crew.

8.—(1) Where—

(i) the certifying surgeon appointed under the Factory and Workshop Act, 1901, for the district in which a workman is employed certifies that the workman is suffering from a disease mentioned in the Third Schedule to this Act, and is thereby disabled from earning full wages at the work at which he was employed, or

(ii) a workman is, in pursuance of any special rules or regulations made under the Factory and Workshop Act, 1901, suspended from his usual employment on account of having contracted any such disease, or

(iii) the death of a workman is caused by any such disease

and the disease is due to the nature of any employment in which the workman was employed at any time within the twelve months previous to the date of the disablement or suspension, whether under one or more employers, he or his dependants shall be entitled to compensation under this Act as if the disease or such suspension as aforesaid were a personal injury by accident arising out of and in the course of that employment, subject to the following modifications—

(a) The disablement or suspension shall be treated as the happening of the accident,

(b) If it is proved that the workman has at the time of entering the employment wilfully and falsely represented himself in writing as not having previously suffered from the disease, compensation shall not be payable,

(c) The compensation shall be recoverable from the employer who last employed the workman during the said twelve months in the employment to the nature of which the disease was due

Provided that—

(i) the workman or his dependants if so required shall furnish that employer with such information as to the names and addresses of all the other employers who employed him in the employment during the said twelve months as he or they may possess, and, if such information is not furnished, or is not sufficient to enable that employer to take proceedings under the next following proviso, that employer upon proving that the disease was not contracted whilst the workman was in his employment shall not be liable to pay compensation, and

(ii) if that employer alleges that the disease was in fact contracted whilst the workman was in the

employment of some other employer and not whilst in his employment he may join such other employer as a party to the arbitration and if the allegation is proved that other employer shall be the employer from whom the compensation is to be recoverable and

(a) If the disease is of such a nature as to be contracted by a gradual process any other employers who during the said twelve months employed the workman in the employment to the nature of which the disease was due shall be liable to make to the employer from whom compensation is recoverable such contributions as in default of agreement may be determined in the arbitration under this Act for settling the amount of the compensation

(d) The amount of the compensation shall be calculated with reference to the earnings of the workman under the employer from whom the compensation is recoverable

(e) The employer to whom notice of the death or suspension is to be given shall be the employer who last employed the workman during the said twelve months in the employment to the nature of which the disease was due and the notice may be given notwithstanding that the workman has voluntarily left his employment

(f) If an employer or a workman is aggrieved by the action of a certifying or other surgeon in giving or refusing to give a certificate of disablement or in suspending or refusing to suspend a workman for the purposes of this section the matter shall in accordance with regulations made by the Secretary of State be referred to a medical referee whose decision shall be final

(g) If the workman at or immediately before the date of the disablement or suspension was employed in any process mentioned in the second column of the Third Schedule to this Act and the disease contracted is the disease in the first column of that Schedule set opposite the description of the process the disease except where the certifying surgeon certifies that in his opinion the disease was not due to the nature of the employment shall be deemed to have been due to the nature of that employment unless the employer proves the contrary

(h) The Secretary of State may make rules regulating the duties and fees of certifying and other surgeons (including dentists) under this section.

(i) For the purposes of this section the date of disablement shall be such date as the certifying surgeon certifies as the date on which the disablement commenced or if he is unable to certify such a date the date on which the certificate is given provided that—

(a) Where the medical referee allows an appeal against a refusal by a certifying surgeon to give a certificate of disablement the date of disablement shall be such date as the medical referee may determine

(b) Where a workman dies without having obtained a certificate of disablement or is at the time of death not in receipt of a weekly payment on account of disablement it shall be the date of death

(c) In such cases and subject to such conditions as the Secretary of State may direct a medical referee appointed by the Secretary of State for the purpose shall have the powers and duties of a certifying surgeon under this section and this reference shall be construed accordingly

(d) The Secretary of State may make or vary or alter the provisions of this section in other

diseases and other processes and to injuries due to the nature of any employment specified in the order not being injuries by accident either without modification or subject to such modifications as may be contained in the order

(7) Where after inquiry held on the application of any employers or workmen engaged in any industry to which this section applies, it appears that a mutual trade insurance company or society for insuring against the risks under this section has been established for the industry and that a majority of the employers engaged in that industry are insured against such risks in the company or society and that the company or society consents the Secretary of State may by Provisional Order require all employer in that industry to insure in the company or society upon such terms and under such conditions and subject to such exceptions as may be set forth in the Order. Where such a company or society has been established but is confined to employers in any particular locality or of any particular class the Secretary of State may for the purposes of this provision treat the industry as carried on by employers in that locality or of that class as a separate industry

(8) A Provisional Order made under this section shall be of no force whatever unless and until it is confirmed by Parliament and if a Bill confirming any such Order is pending in either House of Parliament a petition is presented against the Order the Bill may be referred to a Select Committee and the petitioner shall be allowed to appear and oppose as in the case of Private Bills and any Act confirming any Provisional Order under this section may be repealed altered or amended by a Provisional Order made and confirmed in like manner

(9) Any expenses incurred by the Secretary of State in respect of any such Order Provisional Order or confirming Bill shall be defrayed out of moneys provided by Parliament

(10) Nothing in this section shall affect the rights of a workman to recover compensation in respect of a disease to which this section does not apply. If the disease is a personal injury by accident within the meaning of this Act

9—(1) This Act shall not apply to persons in the naval or military service of the Crown but otherwise shall apply to workmen employed by or under the Crown to whom this Act would apply if the employer were a private person

Provided that in the case of a person employed in the private service of the Crown the head of that department of the Royal Household in which he was employed at the time of the accident shall be deemed to be his employer

(2) The Treasury may by warrant laid before Parliament, modify for the purposes of this Act their warrant made under Section 1 of the Superannuation Act 1887 and notwithstanding anything in that Act or any subsequent Act may franchise with a view to this Act being certified by the Registrar of Friendly Societies under this Act

10—(1) The Secretary of State may by warrant legally qualified medical practitioners to be medical referees for the purposes of this Act as he may with the sanction of the Treasury determine and the remuneration of such referees shall be subject to medical referees under this Act shall be subject to regulations made by the Treasury be paid out of moneys provided by Parliament

When a medical referee has been employed and as

against that person to recover damages and against any person liable to pay compensation under this Act for such compensation, but shall not be entitled to recover both damages and compensation, and

(2) If the workman has recovered compensation under this Act, the person by whom the compensation was paid, and any person who has been called on to pay an indemnity under the section of this Act relating to sub-contracting, shall be entitled to be indemnified by the person so liable to pay damages as aforesaid, and all questions as to the right to and amount of any such indemnity shall, in default of agreement, be settled by action, or, by consent of the parties, by arbitration under this Act

7.—(1) This Act shall apply to masters, seamen, and apprentices to the sea service and apprentices in the sea-fishing service, provided that such persons are workmen within the meaning of this Act, and are members of the crew of any ship registered in the United Kingdom, or of any other British ship or vessel of which the owner, or (if there is more than one owner) the managing owner, or manager resides or has his principal place of business in the United Kingdom, subject to the following modifications—

(a) The notice of accident and the claim for compensation may, except where the person injured is the master, be served on the master of the ship as if he were the employer, but where the accident happened and the incapacity commenced on board the ship it shall not be necessary to give any notice of the accident

(b) In the case of the death of the master, seaman, or apprentice, the claim for compensation shall be made within six months after news of the death has been received by the claimant

(c) Where an injured master, seaman, or apprentice is discharged or left behind in a British possession or in a foreign country, depositions respecting the circumstances and nature of the injury may be taken by any judge or magistrate in the British possession, and by any British consular officer in the foreign country, and if so taken shall be transmitted by the person by whom they are taken to the Board of Trade, and such depositions or certified copies thereof shall in any proceedings for enforcing the claim be admissible in evidence as provided by Sections 691 and 695 of the Merchant Shipping Act, 1894, and those sections shall apply accordingly

(d) In the case of the death of a master, seaman, or apprentice, leaving no dependants, no compensation shall be payable if the owner of the ship is, under the Merchant Shipping Act, 1894, liable to pay the expenses of burial

(e) The weekly payment shall not be payable in respect of the period during which the owner of the ship is under the Merchant Shipping Act, 1894, as amended by any subsequent enactment, or otherwise, liable to defray the expenses of maintenance of the injured master, seaman, or apprentice:

(f) Any sum payable by way of compensation by the owner of a ship under this Act shall be paid in full, notwithstanding anything in Section 503 of the Merchant Shipping Act, 1894 (which relates to the limitation of a shipowner's liability in certain cases of loss of life, injury, or damage), but the limitation on the owner's liability imposed by that section shall apply to the amount recoverable by way of indemnity under the section of this Act relating to remedies both against employer and stranger as if

the indemnity were damages for loss of life or personal injury.

(g) Sub-sections (2) and (3) of Section 174 of the Merchant Shipping Act, 1894 (which relates to the recovery of wages of seamen lost with their ship), shall apply as respects proceedings for the recovery of compensation by dependants of masters, seamen, and apprentices lost with their ship as they apply with respect to proceedings for the recovery of wages due to seamen and apprentices, and proceedings for the recovery of compensation shall in such a case be maintainable if the claim is made within eighteen months of the date at which the ship is deemed to have been lost with all hands

(2) This Act shall not apply to such members of the crew of a fishing vessel as are remunerated by shares in the profits or the gross earnings of the working of such vessel

(3) This section shall extend to pilots to whom Part X of the Merchant Shipping Act, 1894, applies, as if a pilot when employed on any such ship as aforesaid were a seaman and a member of the crew

8.—(1) Where—

(i) the certifying surgeon appointed under the Factory and Workshop Act, 1901, for the district in which a workman is employed certifies that the workman is suffering from a disease mentioned in the Third Schedule to this Act, and is thereby disabled from earning full wages at the work at which he was employed, or

(ii) a workman is, in pursuance of any special rules or regulations made under the Factory and Workshop Act, 1901, suspended from his usual employment on account of having contracted any such disease, or

(iii) the death of a workman is caused by any such disease,

and the disease is due to the nature of any employment in which the workman was employed at any time within the twelve months previous to the date of the disablement or suspension, whether under one or more employers, he or his dependants shall be entitled to compensation under this Act as if the disease or such suspension as aforesaid were a personal injury by accident arising out of and in the course of that employment, subject to the following modifications—

(a) The disablement or suspension shall be treated as the happening of the accident,

(b) If it is proved that the workman has at the time of entering the employment wilfully and falsely represented himself in writing as not having previously suffered from the disease, compensation shall not be payable,

(c) The compensation shall be recoverable from the employer who last employed the workman during the said twelve months in the employment to the nature of which the disease was due

Provided that—

(i) the workman or his dependants if so required shall furnish that employer with such information as to the names and addresses of all the other employers who employed him in the employment during the said twelve months as he or they may possess, and, if such information is not furnished, or is not sufficient to enable that employer to take proceedings under the next following proviso, that employer upon proving that the disease was not contracted whilst the workman was in his employment shall not be liable to pay compensation; and

(ii) if that employer alleges that the disease was in fact contracted whilst the workman was in the

employment of some other employer and not whilst in his employment he may join such other employer as a party to the arbitration and if the allegation is proved that other employer shall be the employer from whom the compensation is to be recoverable.

(4) If the disease is of such a nature as to be contracted by a gradual process any other employers who during the said twelve months employed the workman in the employment to the nature of which the disease was due shall be liable to make to the employer from whom compensation is recoverable such contributions as in default of a payment may be determined in the arbitration under this Act for settling the amount of the compensation.

(d) The amount of the compensation shall be calculated with reference to the earnings of the workman under the employer from whom the compensation is recoverable.

(c) The employer to whom notice of the death, disablement or suspension is to be given shall be the employer who last employed the workman during the said twelve months in the employment to the nature of which the disease was due and the notice may be given notwithstanding that the workman has voluntarily left his employment.

(f) If an employer or a workman is aggrieved by the action of a certifying or other person in giving or refusing to give a certificate of disqualification or in suspending, or refusing to suspend a workman for the purposes of this section the matter shall in accordance with the regulations made by the Secretary of State be referred to a medical referee whose decision shall be final.

(7) If the workman at or immediately before the date of the disablement or suspension was employed in any process mentioned in the second column of the Third Schedule to this Act and the disease contracted is the disease in the first column of that Schedule set opposite the description of the process the disease except where the certifying surgeon certifies that in his opinion the disease was not due to the nature of the employment shall be deemed to have been due to the nature of that employment unless the employer proves the contrary.

(3) The Secretary of State may make rules regulating the duties and fees of certifying and other surgeons (including dentists) under this section.

(4) For the purposes of this section the date of disablement shall be such date as the certifying surgeon certifies as the date on which the disablement commenced or if he is unable to certify such a date the date on which the certificate is given. Provided that—

(a) Where the medical referee allows an appeal against a refusal by a certifying surgeon to give a certificate of disablement the date of disablement shall be such date as the medical referee may determine.

(b) Where a workman dies without having obtained a certificate of disablement or is at the time of death not in receipt of a weekly payment on a count of disablement it shall be the late death

(5) In such cases and subject to such conditions as the Secretary of State may direct a medical practitioner appointed by the Secretary of State for the purpose shall have the powers and duties of a certifying surgeon under this section and this section shall be construed accordingly.

(6) The Secretary of State may, in accordance with the provisions of this section, extend the provisions of this section to any other person or persons.

diseases and other processes, and to injuries due to the nature of any employment specified in the order not being injuries by accident either without modification or subject to such modifications as may be contained in the order.

(7) Where after inquiry it is found on the application of any employers or workmen in any industry to which this section applies that a mutual trade insurance company or society for insuring against the risks under this section has been established for the industry and that a majority of the employers engaged in that industry are insured against such risks in that industry or society and that the company or society consents, the Secretary of State may by Proclamation Order require all employers in that industry or business in such conditions and subject to such exceptions as may be set forth in the Order. Where no such company or society has been established it is confined to employers in any particular class or for the purposes of this provision the Secretary of State may treat any particular class of employers in that industry or business as a separate industry.

(5) A Provisional Order may, under this section, shall be of no force whatever until it is confirmed by Parliament and it shall be the duty of the Government to cause the Bill to be introduced in Parliament as soon as possible after the Order is made. The Bill may be introduced in either House of Parliament and if it is introduced in the House of Commons it shall be referred to a Select Committee and the Committee shall be empowered to appear and oppose as in the case of Private Bills and any section may be removed and the Order may be amended in any manner.

(10) Nothing in the

of a woman to recover compensation in respect of a disease to which this section does not apply is the meaning of this Act.

... (4) This Act shall not apply to persons in the
naval or military service of the Crown, but other
wise shall apply to persons employed by or under
the Crown to whom the Act would apply if the
employer were a private person.
Provided that, if the

in the case of a person employed in
particular of the Crown the head of that
household in which he
employed, in the case of the archmen shall be

may be warrant and be we
for the purposes of this Act
under Section 1 of the
and notwithstanding any

A writ of habeas corpus was granted, and the writ was
 served on the United States Marshal at New York, who
 was directed to bring the prisoner before the Court.
 The prisoner was brought before the Court, and the
 Court granted the writ, and the prisoner was
 discharged.

a medical practitioner in connection with any case by or on behalf of an employer or workman or by any insurers interested, he shall not act as medical referee in that case.

(2) The remuneration of an arbitrator appointed by a judge of county courts under the Second Schedule to this Act shall be paid out of moneys provided by Parliament in accordance with regulations made by the Treasury.

11.—(1) If it is alleged that the owners of any ship are liable as such owners to pay compensation under this Act, and at any time that ship is found in any port or river of England or Ireland, or within three miles of the coast thereof, a judge of any court of record in England or Ireland may, upon its being shown to him by any person applying in accordance with the rules of the court that the owners are probably liable as such to pay such compensation, and that none of the owners reside in the United Kingdom, issue an order directed to any officer of customs or other officer named by the judge requiring him to detain the ship until such time as the owners, agent, master, or consignee thereof have paid such compensation, or have given security to be approved by the judge, to abide the event of any proceedings that may be instituted to recover such compensation and to pay such compensation and costs as may be awarded thereon, and any officer of customs or other officer to whom the order is directed shall detain the ship accordingly.

(2) In any legal proceeding to recover such compensation, the person giving security shall be made defendant, and the production of the order of the judge, made in relation to the security shall be conclusive evidence of the liability of the defendant to the proceeding.

(3) Section 692 of the Merchant Shipping Act, 1894, shall apply to the detention of a ship under this Act as it applies to the detention of a ship under that Act, and, if the owner of a ship is a corporation, it shall for the purposes of this section be deemed to reside in the United Kingdom if it has an office in the United Kingdom at which service of writs can be effected.

12.—(1) Every employer in any industry to which the Secretary of State may direct that this section shall apply shall, on or before such day in every year as the Secretary of State may direct, send to the Secretary of State a correct return specifying the number of injuries in respect of which compensation has been paid by him under this Act during the previous year, and the amount of such compensation, together with such other particulars as to the compensation as the Secretary of State may direct, and in default of complying with this section shall be liable on conviction under the Summary Jurisdiction Acts to a fine not exceeding £5.

(2) Any regulations made by the Secretary of State containing such directions as aforesaid shall be laid before both Houses of Parliament as soon as may be after they are made.

13.—In this Act, unless the context otherwise requires—

"Employer" includes any body of persons corporate or unincorporate and the legal personal representative of a deceased employer, and, where the services of a workman are temporarily lent or let on hire to another person by the person with whom the workman has entered into a contract of service or apprenticeship, the latter shall, for the purposes of this Act, be deemed to continue to be the employer

of the workman whilst he is working for that other person.

"Workman" does not include any person employed otherwise than by way of manual labour whose remuneration exceeds £250 a year, or a person whose employment is of a casual nature and who is employed otherwise than for the purposes of the employer's trade or business or a member of a police force, or an out worker, or a member of the employer's family dwelling in his house, but, save as aforesaid, means any person who has entered into or works under a contract of service or apprenticeship with an employer, whether by way of manual labour, clerical work, or otherwise, and whether the contract is expressed or implied, is oral or in writing.

Any reference to a workman who has been injured shall, where the workman is dead, include a reference to his legal personal representative or to his dependants or other person to whom or for whose benefit compensation is payable;

"Dependants" means such of the members of the workman's family as were wholly or in part dependent upon the earnings of the workman at the time of his death, or would but for the incapacity due to the accident have been so dependent, and where the workman, being the parent or grandparent of an illegitimate child, leaves such a child so dependent upon his earnings, or, being an illegitimate child, leaves a parent or grandparent so dependent upon his earnings, shall include such an illegitimate child and parent or grandparent respectively.

"Member of a family" means wife or husband, father, mother, grandfather, grandmother, step-father, step-mother, son, daughter, grandson, granddaughter, step-son, step-daughter, brother, sister, half-brother, half-sister.

"Ship," "vessel," "seaman," and "port" have the same meanings as in the Merchant Shipping Act, 1894.

"Manager," in relation to a ship, means the ship's husband or other person to whom management of the ship is entrusted by or on behalf of the owner.

"Police force" means a police force to which the Police Act, 1890, or the Police (Scotland) Act, 1890, applies, the City of London Police Force, the Royal Irish Constabulary, and the Dublin Metropolitan Police Force.

"Outworker" means a person to whom articles or materials are given out to be made up, cleaned, washed, altered, ornamented, finished, or repaired, or adapted for sale, in his own home or on other premises not under the control or management of the person who gave out the materials or articles.

The exercise and performance of the powers and duties of a local or other public authority shall, for the purposes of this Act, be treated as the trade or business of the authority.

"County court," "judge of the county court," "registrar of the county court," "plaintiff," and "rules of court," as respects Scotland, mean respectively sheriff court, sheriff, sheriff clerk, pursuer, and act of sederunt.

14.—In Scotland, where a workman raises an action against his employer independently of this Act in respect of any injury caused by accident arising out of and in the course of the employment, the action, if raised in the sheriff court and concluding for damages under the Employers' Liability Act, 1880, or alternatively at common law or under

The Employers Liability Act 1880 shall notwith-
standing anything contained in that Act not be
revoked in so far as that Act or otherwise to the Court
of Appeal or not shall it be appealed to that Court
otherwise than by appeal on a question of law
and the purposes of such appeal the provisions
of the Second Schedule to this Act in regard to an
appeal from the decision of the sheriff on any ques-
tion of law determined by him as arbitrator under
this Act shall apply.

14.—(1) Any contract (other than a contract sub-
stantiating the provisions of a scheme certified under
the Workmen's Compensation Act 1897 for the
purpose of that Act) existing at the commence-
ment of this Act whereby a workman relinquishes
his right to compensation from the employer for
personal injuries arising out of and in the course of
his employment shall not for the purposes of this
Act be deemed to continue after the time at which
the workman's contract of service would determine
in so far as the determination thereof were given at
the commencement of this Act.

(2) Every scheme under the Workmen's Com-
pensation Act 1897 in force at the commencement
of this Act shall be re-certified by the Registrar of
Friendly Societies have effect as if it were a scheme
under this Act.

(3) The Registrar shall re-certify any such scheme
if it is proved to his satisfaction that the scheme
conforms or has been so modified as to conform
with the provisions of this Act as to schemes.

(4) If any such scheme has not been so re-certified
before the expiration of six months from the com-
mencement of this Act the certificate thereof shall
be revoked.

15.—(1) This Act shall come into operation on
the first day of July next hundred and seven-
ty except so far as it relates to references to medical
referees and proceedings consequential thereon
shall not apply in any case where the accident
happened before the commencement of this Act.

(2) The Workmen's Compensation Act 1897
and 1900 are hereby repealed but shall continue to
apply to cases where the accident happened before
the commencement of this Act except to the extent
to which this Act applies to those cases.

16.—This Act may be cited as the Workmen's
Compensation Act 1906.

SCHEDULE

FIRST SCHEDULE

SCALE AND CONDITIONS OF COMPENSATION

(1) The amount of compensation under this Act
shall be—

- (a) where death results from the injury—
- (b) if the workman leaves any dependents wholly
dependent upon his earnings a sum equal to his
earnings in the employment at the same employer
during the five years next preceding the injury or
during the five years next preceding the injury, whichever
the sum of aforesaid is the larger, but not exceeding in any
of those cases the sum of five hundred and thirty pounds
provided that the amount of any weekly payments made under this
Act and any lump sum in redemption thereof
shall be deducted from such sum and if the period
of the workman's employment is less than three years then the
amount of his earnings during the said three years shall be
deemed to be one hundred and thirty pounds
or such average weekly earnings during the period
of the said three years as may be determined by the
Registrar.
- (c) if the workman does not leave any such

dependents but leaves any dependents in part
dependent upon his earnings a sum not exceeding
in any case the amount payable under the fore-
going provisions as may be determined on
arbitration under the Act to be reasonable and
proportionate to the injury to the said dependents
and

(d) if he leaves no dependents the reasonable
expenses of his medical attendance and funeral not
exceeding ten pounds.

(2) Where total or partial inability for work
results from the injury a weekly payment during
the incapacity not exceeding fifty per cent of his
average weekly earnings during the previous twelve
months if he has been so long employed, but if not
then for any less period during which he has been
in the employment of the same employer such
weekly payment not to exceed one pound.

Provided that—

(a) if the incapacity lasts less than two weeks no
compensation shall be payable in respect of the
first week; and

(b) as respects the weekly payments during total
incapacity of a workman who is under twenty-one
years of age at the date of the injury and whose
average weekly earnings are less than twenty
shillings one hundred per cent shall be substituted
for fifty per cent of his average weekly earnings
but the weekly payment shall in no case exceed ten
shillings.

(3) For the purposes of the provisions of this
schedule relating to earnings and average
weekly earnings of a workman the following rules
shall be observed:—

(a) average weekly earnings shall be computed in
such manner as is best calculated to give the rate
per week at which the workman was being remu-
nerated provided that where by reason of the hurt-
ness of the time during which the workman has
been in the employment of his employer or the
casual nature of the employment or the terms of
the employment it is impracticable at the date of
the accident to compute the rate of remuneration
regard may be had to the average weekly amount
which during the twelve months previous to the
accident was being earned by a person in the same
grade employed at the same work by the same
employer or if there is no person so employed by a
person in the same grade employed in the same
class of employment and in the same district.

(b) where the workman had entered into more
current contracts of service with two or more
employers and which he worked at one time for
one such employer and at another time for another
such employer his average weekly earnings shall be
computed as if his earnings under all such contracts
were earnings in the employment of the employer
for whom he was working at the time of the accident.

(c) employment by the same employer shall be
taken to mean employment by the same employer
in the grade in which the workman was employed at
the time of the accident uninterrupted by absence
from work due to illness or any other unavoidable
cause.

(d) where the employer is bound by a custom to
pay to the workman a sum to cover any special
expenses entailed in the nature of his
employment such sum shall not be reckoned
as part of the weekly payment.

(e) In the case of a weekly payment
the amount payable shall be the whole or

benefit which the workman may receive from the employer during the period of his incapacity, and in the case of partial incapacity the weekly payment shall in no case exceed the difference between the amount of the average weekly earnings of the workman before the accident and the average weekly amount which he is earning or is able to earn in some suitable employment or business after the accident, but shall bear such relation to the amount of that difference as under the circumstances of the case may appear proper

(4) Where a workman has given notice of an accident, he shall, if so required by the employer, submit himself for examination by a duly qualified medical practitioner provided and paid by the employer, and, if he refuses to submit himself to such examination, or in any way obstructs the same, his right to compensation, and to take or prosecute any proceeding under this Act in relation to compensation, shall be suspended until such examination has taken place

(5) The payment in the case of death shall, unless otherwise ordered as hereinafter provided, be paid into the county court, and any sum so paid into court shall, subject to rules of court and the provisions of this schedule, be invested, applied, or otherwise dealt with by the court in such manner as the court in its discretion thinks fit for the benefit of the persons entitled thereto under this Act, and the receipt of the registrar of the court shall be a sufficient discharge in respect of the amount paid in

Provided that, if so agreed, the payment in case of death shall, if the workman leaves no dependants, be made to his legal personal representative, or, if he has no such representative, to the person to whom the expenses of medical attendance and burial are due

(6) Rules of court may provide for the transfer of money paid into court under this Act from one court to another, whether or not the court from which it is to be transferred is in the same part of the United Kingdom as the court to which it is to be transferred.

(7) Where a weekly payment is payable under this Act to a person under any legal disability, a county court may, on application being made in accordance with rules of court, order that the weekly payment be paid during the disability into court, and the provisions of this schedule with respect to sums required by this schedule to be paid into court shall apply to sums paid into court in pursuance of any such order

(8) Any question as to who is a dependant shall, in default of agreement, be settled by arbitration under this Act, or, if not so settled before payment into court under this schedule, shall be settled by the county court, and the amount payable to each dependant shall be settled by arbitration under this Act, or, if not so settled before payment into court under this schedule, by the county court. Where there are both total and partial dependants, nothing in this schedule shall be construed as preventing the compensation being allotted partly to the total and partly to the partial dependants

(9) Where, on application being made in accordance with rules of court, it appears to a county court that, on account of neglect of children on the part of a widow, or on account of the variation of the circumstances of the various dependants, or for any other sufficient cause, an order of the court or an award as to the apportionment amongst the several dependants of any sum paid as compensation, or as to the manner in which any sum payable

to any such dependant is to be invested, applied, or otherwise dealt with, ought to be varied, the court may make such order for the variation of the former order or the award, as in the circumstances of the case the court may think just

(10) Any sum which under this schedule is ordered to be invested may be invested in whole or in part in the Post Office Savings Bank by the registrar of the county court in his name as registrar

(11) Any sum to be so invested may be invested in the purchase of an annuity from the National Debt Commissioners through the Post Office Savings Bank, or be accepted by the Postmaster-General as a deposit in the name of the registrar as such, and the provisions of any statute or regulations respecting the limits of deposits in savings banks, and the declaration to be made by a depositor, shall not apply to such sums

(12) No part of any money invested in the name of the registrar of any county court in the Post Office Savings Bank under this Act shall be paid out, except upon authority addressed to the Postmaster-General by the Treasury or, subject to regulations of the Treasury, by the judge or registrar of the county court

(13) Any person deriving any benefit from any moneys invested in a Post Office Savings Bank under the provisions of this Act may, nevertheless, open an account in a Post Office Savings Bank or in any other savings bank in his own name without being liable to any penalties imposed by any statute or regulations in respect of the opening of accounts in two savings banks, or of two accounts in the same savings bank

(14) Any workman receiving weekly payments under this Act shall, if so required by the employer, from time to time submit himself for examination by a duly qualified medical practitioner provided and paid by the employer. If the workman refuses to submit himself to such examination, or in any way obstructs the same, his right to such weekly payments shall be suspended until such examination has taken place

(15) A workman shall not be required to submit himself for examination by a medical practitioner under paragraph (4) or paragraph (14) of this schedule otherwise than in accordance with regulations made by the Secretary of State, or at more frequent intervals than may be prescribed by those regulations

Where a workman has so submitted himself for examination by a medical practitioner, or has been examined by a medical practitioner selected by himself, and the employer or the workman, as the case may be, has within six days after such examination furnished the other with a copy of the report of that practitioner as to the workman's condition, then, in the event of no agreement being come to between the employer and the workman as to the workman's condition or fitness for employment, the registrar of a county court, on application being made to the court by both parties, may, on payment by the applicants of such fee not exceeding one pound as may be prescribed, refer the matter to a medical referee

The medical referee to whom the matter is so referred shall in accordance with regulations made by the Secretary of State, give a certificate as to the condition of the workman and his fitness for employment, specifying, where necessary, the kind of employment for which he is fit, and that certificate

shall be conclusive evidence as to the matters so certified.

Where no agreement can be come to between the employer and the workman as to whether or to what extent the incapacity of the workman is due to the accident the provisions of this paragraph shall subject to any regulations made by the Secretary of State apply as if the question were a question as to the condition of the workman.

If a workman on being required so to do refuses to submit himself for examination by a medical referee to whom the matter has been so referred as aforeaid or in any way obstructs the same has right to compensation and to take or prosecute any proceeding under this Act in relation to compensation or in the case of a workman in receipt of a weekly payment has right to that weekly payment shall be suspended until such examination has taken place.

Rules of court may be made for prescribing the manner in which documents are to be furnished or served and applications made under this paragraph and the forms to be used for those purposes and subject to the consent of the Treasury as to the fee to be paid under this paragraph.

(16) Any weekly payment may be reviewed at the request either of the employer or of the workman and on such review may be ended diminished or increased subject to the maximum above provided and the amount of payment shall in default of agreement be settled by arbitration under this Act.

Provided that where the workman was at the date of the accident under twenty-one years of age and the review takes place more than twelve months after the accident the amount of the weekly payments may be increased to any amount not exceeding fifty per cent of the weekly sum which the workman would probably have been earning at the date of the review if he had remained uninjured but not in any case exceeding one pound.

(17) Where any weekly payment has been continued for not less than six months the liability therefor may on application by or on behalf of the employer be redeemed by the payment of a lump sum of such an amount as where the incapacity is permanent would if invested in the purchase of an immediate life annuity from the National Debt Commissioners through the Post Office Savings Bank purchase an annuity for the workman equal to seventy-five per cent of the annual value of the weekly payment and as in any other case may be settled by arbitration under this Act and such lump sum may be ordered by the committee or arbitrator or judge of the county court to be invested or otherwise applied for the benefit of the person entitled thereto. Provided that nothing in this paragraph shall be construed as preventing agreements being made for the redemption of a weekly payment by a lump sum.

(18) If a workman receiving a weekly payment ceases to reside in the United Kingdom he shall thereupon cease to be entitled to receive any weekly payment unless the medical referee certifies that the incapacity resulting from the injury is likely to be of a permanent nature. If the medical referee so certifies the workman shall be entitled to receive quarterly the amount of the weekly payments as a sum due during the preceding quarter so long as he proves in such manner and at such intervals as may be prescribed by rules of court his identity and the continuance of the incapacity in respect of which the weekly payment is payable.

(19) A weekly payment or a sum paid by way of redemption thereof shall not be capable of being assigned charged or attached and shall not pass to any other person by operation of law nor shall any claim be set off against the same.

(20) Where under this schedule a right to compensation is suspended no compensation shall be payable in respect of the period of suspension.

(21) Where a scheme certified under this Act provides for payment of compensation by a friendly society the provisions of the proviso to the first sub-section of section 9 section 18 and section 41 of the Friendly Societies Act 1896 shall not apply to such societies in respect of such scheme.

(22) In the application of this Act to Ireland the provisions of the County Officers and Courts (Ireland) Act 1877 with respect to money deposited in the Post Office Savings Bank under this Act shall apply to money invested in the Post Office Savings Bank under this Act.

SECOND SCHEDULE

ARBITRATION ETC

(1) For the purpose of settling any matter which under this Act is to be settled by arbitration if any committee representative of an employer and his workmen exists with power to settle matters under this Act in the case of the employer and workmen the matter shall unless either party objects by notice in writing sent to the other party before the committee meet to consider the matter be settled by the arbitration of such committee or be referred by them in their discretion to arbitration as herein after provided.

(2) If either party so objects or there is no such committee or the committee so refers the matter or fails to settle the matter within six months from the date of the claim the matter shall be settled by a single arbitrator agreed on by the parties or in the absence of agreement by the judge of the county court according to the procedure prescribed by rules of court.

(3) In England the matter instead of being settled by the judge of the county court may if the Lord Chancellor so authorizes be settled according to the like procedure by a single arbitrator appointed by that judge and the arbitrator so appointed shall for the purposes of this Act have all the powers of that judge.

(4) The Arbitration Act 1889 shall not apply to any arbitration under this Act but a committee or an arbitrator may if they or he think fit submit any question of law for the decision of the judge of the county court and the decision of the judge on any question of law either on such submission or in any case where he himself settles the matter under this Act or where he gives any decision or makes any order under this Act shall be final unless within the time and on application with the conditions prescribed by rules of the Supreme Court either party appeals to the Court of Appeal and then the judge of the county court or the arbitrator appointed by him shall for the purpose of proceeding under this Act have the same powers of procuring the attendance of witnesses and the production of documents as if the proceedings were an action in the county court.

(5) A judge of county court may if he thinks fit examine a medical referee in connection with his duties as an assessor.

(6) Rules of court may be made for the

appearance in any arbitration under this Act of any party by some other person

(7) The costs of and incidental to the arbitration and proceedings connected therewith shall be in the discretion of the committee, arbitrator, or judge of the county court, subject as respects such judge and an arbitrator appointed by him to rules of court. The costs, whether before a committee or an arbitrator or in the county court, shall not exceed the limit prescribed by rules of court, and shall be taxed in manner prescribed by those rules, and such taxation may be reviewed by the judge of the county court

(8) In the case of the death, or refusal or inability to act, of an arbitrator, the judge of the county court may, on the application of any party, appoint a new arbitrator

(9) Where the amount of compensation under this Act has been ascertained, or any weekly payment varied, or any other matter decided under this Act, either by a committee or by an arbitrator or by agreement, a memorandum thereof shall be sent in manner prescribed by rules of court, by the committee or arbitrator, or by any party interested, to the registrar of the county court who shall, subject to such rules, on being satisfied as to its genuineness, record such memorandum in a special register without fee, and thereupon the memorandum shall for all purposes be enforceable as a county court judgment

Provided that—

(a) no such memorandum shall be recorded before seven days after the despatch by the registrar of notice to the parties interested, and

(b) where a workman seeks to record a memorandum of agreement between his employer and himself for the payment of compensation under this Act and the employer, in accordance with rules of court, proves that the workman has in fact returned to work and is earning the same wages as he did before the accident, and objects to the recording of such memorandum the memorandum shall only be recorded, if at all, on such terms as the judge of the county court, under the circumstances, may think just, and

(c) the judge of the county court may at any time rectify the register, and

(d) where it appears to the registrar of the county court, on any information which he considers sufficient, that an agreement as to the redemption of a weekly payment by a lump sum, or an agreement as to the amount of compensation payable to a person under any legal disability, or to dependants, ought not to be registered by reason of the inadequacy of the sum or amount, or by reason of the agreement having been obtained by fraud or undue influence, or other improper means, he may refuse to record the memorandum of the agreement sent to him for registration, and refer the matter to the judge who shall in accordance with rules of court, make such order (including an order as to any sum already paid under the agreement) as under the circumstances he may think just, and

(e) The judge may, within six months after a memorandum of an agreement as to the redemption of a weekly payment by a lump sum, or of an agreement as to the amount of compensation payable to a person under any legal disability, or to dependants, has been recorded in the register order that the record be removed from the register on proof to his satisfaction that the agreement was obtained by fraud or undue influence or other improper means,

and may make such order (including an order as to any sum already paid under the agreement) as under the circumstances he may think just

(10) An agreement as to the redemption of a weekly payment by a lump sum if not registered in accordance with this Act shall not, nor shall the payment of the sum payable under the agreement, exempt the person by whom the weekly payment is payable, from liability to continue to make that weekly payment, and an agreement as to the amount of compensation to be paid to a person under a legal disability or to dependants, if not so registered, shall not, nor shall the payment of the sum payable under the agreement, exempt the person by whom the compensation is payable from liability to pay compensation, unless, in either case, he proves that the failure to register was not due to any neglect or default on his part

(11) Where any matter under this Act is to be done in a county court, or by, to, or before the judge or registrar of a county court, then unless the contrary intention appear, the same shall, subject to rules of court, be done in, or by, to, or before the judge or registrar of, the county court of the district in which all the parties concerned reside, or if they reside in different districts the district prescribed by rules of court, without prejudice to any transfer in manner provided by rules of court

(12) The duty of a judge of county courts under this Act, or in England of an arbitrator appointed by him, shall, subject to rules of court, be part of the duties of the county court, and the officer of the court shall act accordingly, and rules of court may be made both for any purpose for which this Act authorises rules of court to be made, and also generally for carrying into effect this Act so far as it affects the county court, or an arbitrator appointed by the judge of the county court, and proceedings in the county court or before any such arbitrator, and such rules may, in England, be made by the five judges of county courts appointed for the making of rules under section 164 of the County Courts Act, 1888, and when allowed by the Lord Chancellor as provided by that section, shall have full effect without any further consent

(13) No court fee, except such as may be prescribed under paragraph (15) of the First Schedule to this Act, shall be payable by any party in respect of any proceedings by or against a workman under this Act in the court prior to the award

(14) Any sum awarded as compensation shall, unless paid into court under this Act, be paid on the receipt of the person to whom it is payable under any agreement or award, and the solicitor or agent of a person claiming compensation under this Act shall not be entitled to recover from him any costs in respect of any proceedings in an arbitration under this Act, or to claim a lien in respect of such costs on, or deduct such costs from, the sum awarded or agreed as compensation except such sum as may be awarded by the committee, the arbitrator, or the judge of the county court, on an application made either by the person claiming compensation, or by his solicitor or agent, to determine the amount of costs to be paid to the solicitor or agent, such sum to be awarded subject to taxation and to the scale of costs prescribed by rules of court

(15) Any committee, arbitrator, or judge may, subject to regulations made by the Secretary of State and the Treasury, submit to a medical referee for report any matter which seems material to any question arising in the arbitration

(16) The Secretary of State may by order either unconditionally or subject to such conditions or modifications as he may think fit confer on any committee representative of an employer and his workmen as respects any matter in which the committee act as arbitrators or which is settled by agreement submitted to and approved by the committee all or any of the powers conferred by this Act exclusively on county courts or judges of county courts and may by the order provide how and to whom the compensation money is to be paid in cases where but for the order the money would be required to be paid into court and the order may exclude from the operation of provisions (d) and (e) of paragraph (9) of this Schedule agreement submitted to and approved by the committee and may contain such incidental consequential or supplemental provisions as may appear to the Secretary of State to be necessary or proper for the purposes of the order.

(17) In the application of this Schedule to Scotland—

(a) County court judgment as used in paragraph (9) of this Schedule means a recorded decree arbitral

(b) Any application to the sheriff as arbitrator shall be heard, tried and determined summarily in the manner provided by section 52 of the Sheriff Courts (Scotland) Act 1876 save only that parties may be represented by any person authorized in writing to appear for them and subject to the declaration that it shall be competent to either party within the time and in accordance with the conditions prescribed by act of aderent to require the sheriff to state a case on any question of law determined by him and his decision thereon in such case may be submitted to either division of the Court of Session who may hear and determine the same and remit to the sheriff with instruction as to the judgment to be pronounced and an appeal shall lie from either of such divisions to the House of Lords

(c) Paragraphs (3) (4) and (8) shall not apply

(18) In the application of this Schedule to Ireland the expression judge of the county court shall include the recorder of any city or town and an appeal shall lie from the Court of Appeal to the House of Lords

THIRD SCHEDULE

| Description of Disease | Description of Process |
|--------------------------------------|--|
| Anthrax | Handling of wool hair bristles hides and skins |
| Lead poisoning or its sequelae | Any process involving the use of lead or its preparations or compounds |
| Mercury poisoning or its sequelae | Any process involving the use of mercury or its preparations or compounds |
| Phosphorus poisoning or its sequelae | Any process involving the use of phosphorus or its preparations or compounds |
| Arsenic poisoning or its sequelae | Any process involving the use of arsenic or its preparations or compounds |
| Ankylostomiasis | Mining |

Where regulations or special rules made under any Act of Parliament for the protection of persons employed in any industry against the risk of contracting lead poisoning require some or all of the persons employed in certain processes specified in the regulations or special rules to be periodically examined by a certifying or other official then in the application of this schedule to that industry the expression process shall unless the Secretary of State otherwise directs include only the processes so specified

WORKMEN'S COMPENSATION INSURANCE (—See INDUSTRY INSURANCE)

WORKS COMMISSIONERS OR BOARD OF—

1 As to Crown Lands In early times the revenue of the King was largely derived from the rents and profits of what were called the demesne land of the Crown. The demesne land were the lands vested in the King by virtue of his lordship or his demesne being derived from the Latin *dominium* through Norman French terms the Latin phrase for the Crown lands being *terrae domaniales regis* which may be translated as the lands held by the King in right of his lordship. These demesne lands either came originally to the Crown by distribution of conquered territory or were gained afterwards in other ways. Forfeiture especially for various reasons escheats or failures of heirs and successors to manors and estates and so on increased the Crown's possessions. On the other hand the King was constantly diminishing the Crown lands by granting them away to private persons sometimes for political reasons such as securing their support or simply to reward and favour them. Parliament frequently passed laws dealing with this practice either by restraining the grants or by granting supplies to make up deficiencies of the revenues from Crown lands. In 1702 the first year of the reign of Queen Anne the Crown Lands Act and afterward other similar Acts restrained the Crown from granting leases of any royal manors lands woods etc for any longer term than thirty-one years.

2 The Management of Crown Lands The management of what remained of these possessions of the Crown was in 1837 in the hands of a First Commissioner and two other Commissioners styled The Commissioners of His Majesty's Woods Forests and Land Revenues or shortly the Commissioners of Woods.

Previous to this there still existed in the time of George III a department known as the Office of Works which had the management of the business and expenditure connected with public works and buildings whether the expenditure was defrayed out of the Civil List Revenues or out of moneys granted by Parliament or from other public sources. By an Act of George III in 1814 all these public works and buildings were placed under the superintendence and control of an officer styled The Surveyor General of His Majesty's Works and Public Buildings. An Act of 1832 (2 & 3 W 4 c 1) The Crown Land Act enacted that the King might by letters patent appoint in the place of the Commissioners of Woods and of the Surveyor General not more than three persons to be Commissioners and the Surveyor or General Commissioners had created by His Majesty's Revenues Work and

These Commissioners after using part of the revenues of the Crown lands in maintaining the public works and buildings in their charge, paid the balance into the Exchequer, and as it was desirable to keep separate the functions of receipt and management of revenue and the function of expenditure, it was decided to sever the Commissioners into two distinct bodies. This was done in 1851 by the Crown Lands Act, 1851 (14 & 15 Vict., c. 42). The First Commissioner was declared to be the head of the new department to be known as the Board of Works and Public Buildings. With him were joined the Secretaries of State, and the President and Vice-President of the department which is now the Board of Trade. They were to be styled "The Commissioners of Her Majesty's Works and Public Buildings." The rest of the Commissioners of the old Commissioners of Woods remained the Commissioners of Woods for the future. The First Commissioner of the Board of Works and Public Buildings was made eligible to sit in the House of Commons, but the Commissioners of Woods, whether the First or other Commissioners, were declared ineligible for election. A section in the Act provided that the Commissioners of Woods might be superseded by a Surveyor-General of Woods, Forests and Land Revenues, but this has not been done, and the Commissioners still subsist, the first being unpaid, the two others receiving each £1,200 a year.

3. **The Board of Works.** The First Commissioner of the Board of Works has a salary of £2,000, and he is a Member of the Ministry with a seat either in the House of Commons or the House of Lords, and in the 1911 Ministry of Mr. Asquith the First Commissioner had a seat in the Cabinet. Though nominally there is a Board consisting of the persons above mentioned, the Board is as much a phantom as the Board of Trade itself. It never meets, and would only meet if the office of First Commissioner should happen to be vacant, when some urgent business was necessary to be done. By sec. 22 of the Act, the Commissioners of Works are to have the duties and powers previously in the hands of the Commissioners of Woods, in respect of and in relation to the royal parks, gardens, and possessions mentioned in a list in this section, which comprises all the Royal parks in the neighbourhood of London. Besides this there is a Schedule to the Act enumerating a considerable number of Statutes relating to public works, such as the erection and maintenance of bridges, roads, squares, and such places, over which the Commissioners of Works had control and management. Amongst these works may be mentioned Trafalgar Square and the modern Royal park in Battersea Fields. All Royal palaces and parks, and all public buildings, such as the Houses of Parliament, their fabrics and furnishings, are under the control of the Board of Works, except those which are under some special public department, as, for example, Windsor Castle and Park or the buildings of the Post Office. In regard to the Royal parks, however, which are in London and suburban London, there are certain modern ones which were not entered in the list above mentioned. They in fact were not in existence then but were subsequently created. These were Victoria Park, Battersea Park, Kennington Park, Bethnal Green Museum Gardens, and Chelsea Embankment. But in 1887 at the date of the London Parks and Works Act (50 & 51 V., c. 34) they were under the management of the

Commissioners of Works, and were maintained at the cost of the Exchequer. The preamble of this Act recites the expediency of their being maintained out of the local rates. Accordingly the Act transferred them to the then existing Metropolitan Board of Works, and they came under the management of the London County Council next year as the Board's successor on the passing of the Local Government Act, 1888 (51 & 52 V., c. 41). The London County Council succeeded to all the powers of making by-laws for the management of these parks which had been exercised by the Commissioners of Works. They also, as administering Royal parks, succeeded to whatever rights the Commissioners of Works had in such parks. Thus, by the Parks Regulation Act, 1872 (35 & 36 Vict., c. 15) certain regulations for the Royal parks and gardens were laid down in a schedule to that Act. It was declared by these regulations (*inter alia*) that no person should deliver, or invite any person to deliver, any public address in a park, except in accordance with the rules of the park. These rules were defined as being such as might in relation to any matter within the jurisdiction of the ranger (if there be a ranger, as there is in Hyde Park and Richmond Park, for example), be made by the ranger, the relation to any other matter to which the regulations were applicable might be made by the Commissioners of Works. But these rules must be laid before Parliament and approved before they come into operation. Section 11 of the Act also declares that nothing therein shall authorise any interference with any right of way, or any right whatever, to which any person or persons may be entitled. In 1873, a year after the Act was passed, a speaker in the park was convicted by a magistrate and fined for having delivered an address in the park not in accordance with the rules for public speeches there, that had been issued and signed by the Duke of Cambridge, the Ranger. The conviction was affirmed by the Court of Queen's Bench, which also gave judgment on the point raised under sec. 11, reserving all rights to which any person might be entitled. The Court decided that there was no right in the public to hold meetings in the Royal parks; and therefore there was no right interfered with within sec. 11 (*Bailey v. Williamson*, L.R., 8 Q.B., p. 118.) As to the legal position of the Commissioners of Works, and of the London County Council in those parks of which they have now the management and control, a passage may be quoted from the judgment of Lord Blackburn (then Mr. Justice Blackburn) in the above-cited case. He said: "Those parks which the Act of Parliament refers to have been under the management of the Commissioners of Woods and Forests. The Commissioners have managed the parks for the Crown, and they have devoted them to a great extent to the purpose of public recreation, and for the benefit of the public enjoying them. I take it that if any minister of the Crown were ill-advised enough to revoke the Act, and to endeavour to stop the enjoyment by the public of the parks in London, which they have had for so long a period, he would probably be checked very speedily by Parliament; but I apprehend that in a court of law there would be no power to say that he could not do it. When a thing is done which was not according to law, when any act was done to or in the park, which was objected to by those who had the management of them, his only remedy at common law that I am aware of was by an information of intrusion in the

nature of trespass brought by the Attorney General against the individual. That would be a trouble some mode of enforcing the right of the Crown to prevent people coming and making speeches in the parks and so this Act of Parliament was passed.

WORMWOOD—The name given to a bitter aromatic herb the *Artemisia absinthium* which is cultivated in North Europe for its tonic properties and for the volatile oil obtained from its leaves. It is chiefly important as the source of absinthe (q.v.)

WRECK—A wreck is such goods as after a shipwreck are cast upon the land by the sea and left there within some country for they are not wrecks so long as they remain at sea in the jurisdiction of the Admiralty. By section 510 of the Merchant Shipping Act 1891 wreck includes in that Act jetsam, flotsam and derelict found in or on the shores of the sea or any tidal river and sections 511-528 deal generally with the custody of wreck by district receivers of wreck (as by the sheriffs of the counties under the ancient law) and the suppression of plunder by them the claims of the owners within one year and the title of the Crown to unclaimed wreck except in cases where any other person has a right to wreck by royal grant.

Wreck of the sea was by presumption of the ancient common law the property of no one and belonged therefore *prima facie* to the Crown. If any living thing—man, dog or cat—escaped to land from the ship the presumption was changed and the wreck was preserved for a year and a day, that the owner might assert and prove his claim to possession. As to unclaimed sea horse wreck the question of ownership at the present day is complicated by the numerous grants of wreck which have from very early times been made by the Crown to owners and grantees of lands adjoining the sea. The charters of the Cinque Ports and of some other port towns contain grants of wreck the effect of which is not altogether clear. It would seem that under these grants wreck found upon foreshores owned by the towns and perhaps wreck brought into the ports from the sea was in practice divided between the towns and the finders. The right of the warden of the Cinque Ports to wreck was derived from charters granted to the ports by Edward I and his successors many other seaports enjoyed a similar right under early charters. It would seem that these rights are of some value for in 189 the little towns of Dunwich and Southwold litigated at a cost of £1,000 the question whether a tub of whisky picked up at sea belonged to the Admiralty jurisdiction of the one town or to that of the other. Grants of wreck to individuals are earlier than those to towns.

Where a vessel British or foreign is in distress on or near the coasts of the United Kingdom, or any tidal water within the limits of the United Kingdom the receiver of wreck for the district must proceed there take command of all present and assign such duties and give such directions as he thinks fit in order to preserve the vessel and the lives on board and the cargo and apparel of the vessel. He may require persons to help him including the master or person in charge of a vessel near at hand and demand the use of any wagon, cart or horses near at hand under penalty. In order to render assistance to a wrecked ship all persons may pass with or without carriages or horses or any adjoining lands without interruption from the owner and deposit thereon anything

recovered from the ship any damage so sustained by an owner or occupier is a charge on the vessel cargo or article in respect of or by which it is occasioned and the amount recoverable therefor is recoverable as salvage. The receiver has power to suppress plunder and disorder by force. Where a wrecked ship is plundered damaged or destroyed the owner is compensated by the same authority as if the damage was an injury under the Riot Damages Act 1836. Where a receiver is not present his powers may be exercised by any chief officer of customs principal officer of the coastguard officer of inland revenue sheriff justice of the peace commissioned officer on full pay in the naval service or commissioned officer on full pay in the military service. Such officer acts as agent for the receiver but he has no right to any fee although he is not excluded from his right if any to salage.

Where any ship British or foreign is or has been in distress on the coasts of the United Kingdom a receiver of wreck or a justice of the peace shall examine on oath any person belonging to the ship or any other person who may be able to give any account thereof. The person holding the examination must take the same down in writing and must send one copy thereof to the Board of Trade and another to the secretary of Lloyd's. The expenses of obtaining depositions reports and returns concerning wreck and casualties are paid out of moneys provided by Parliament.

Where any person finds or takes possession of any wreck within the limits of the United Kingdom he must if he is the owner thereof give notice to the receiver of the district and if he is not the owner as soon as possible deliver the same to the receiver of the district. A penalty is imposed on any one taking and secreting wreck at the time of the casualty whether it belongs to him or not and the receiver may take it from him. A receiver taking possession of wreck must give notice thereof to the nearest custom house with its description and if he thinks it exceeds £20 in value he must send a similar description to Lloyd's. The owner of any wreck in the hands of a receiver must establish his claim to it within a year and on so doing and paying all expenses is entitled to have it restored to him. Where a foreign ship has been wrecked on or near the coast and any articles forming part of her cargo are found on or near the coast or are brought into any port the consular officer of the foreign country to which the ship or cargo belongs is deemed to be the agent for the owner so far as the custody and disposal of the articles is concerned. The right to unclaimed wreck belongs to the Crown except in places where the Crown has granted that right to others. Where wreck is not claimed by an owner within a year after it was found and has been in the hands of a receiver it can be claimed by the person entitled to wreck in the place where it was found and he is entitled to have it after paying expenses and salvage connected with it. If no such person claims it it is sold by the receiver and the net proceeds are applied for the benefit of the Crown either for the county of Lancaster or the duchy of Cornwall or if these do not claim it goes to the Crown direct. Any dispute as to the title to an unclaimed wreck is determined summarily in the same way as a dispute as to salage but any party dissatisfied therewith may within three months after the expiration of a year proceed in a competent court to establish his title.

Receivers of wrecks are appointed by the Board of

These Commissioners after using part of the revenues of the Crown lands in maintaining the public works and buildings in their charge, paid the balance into the Exchequer, and as it was desirable to keep separate the functions of receipt and management of revenue and the function of expenditure, it was decided to sever the Commissioners into two distinct bodies. This was done in 1851 by the Crown Lands Act, 1851 (14 & 15 Vict., c. 42). The First Commissioner was declared to be the head of the new department to be known as the Board of Works and Public Buildings. With him were joined the Secretaries of State, and the President and Vice-President of the department which is now the Board of Trade. They were to be styled "The Commissioners of Her Majesty's Works and Public Buildings." The rest of the Commissioners of the old Commissioners of Woods remained the Commissioners of Woods for the future. The First Commissioner of the Board of Works and Public Buildings was made eligible to sit in the House of Commons, but the Commissioners of Woods, whether the First or other Commissioners, were declared ineligible for election. A section in the Act provided that the Commissioners of Woods might be superseded by a Surveyor-General of Woods, Forests and Land Revenues, but this has not been done, and the Commissioners still subsist, the first being unpaid, the two others receiving each £1,200 a year.

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These Commissioners after using part of the revenues of the Crown lands in maintaining the public works and buildings in their charge, paid the balance into the Exchequer, and as it was desirable to keep separate the functions of receipt and management of revenue and the function of expenditure, it was decided to sever the Commissioners into two distinct bodies. This was done in 1851 by the Crown Lands Act, 1851 (14 & 15 Vict., c. 42). The First Commissioner was declared to be the head of the new department to be known as the Board of Works and Public Buildings. With him were joined the Secretaries of State, and the President and Vice-President of the department which is now the Board of Trade. They were to be styled "The Commissioners of Her Majesty's Works and Public Buildings." The rest of the Commissioners of the old Commissioners of Woods remained the Commissioners of Woods for the future. The First Commissioner of the Board of Works and Public Buildings was made eligible to sit in the House of Commons, but the Commissioners of Woods, whether the First or other Commissioners, were declared ineligible for election. A section in the Act provided that the Commissioners of Woods might be superseded by a Surveyor-General of Woods, Forests and Land Revenues, but this has not been done, and the Commissioners still subsist, the first being unpaid, the two others receiving each £1,200 a year.

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Commissioners of Works, and were maintained at the cost of the Exchequer. The preamble of this Act recites the expediency of their being maintained out of the local rates. Accordingly the Act transferred them to the then existing Metropolitan Board of Works, and they came under the management of the London County Council next year as the Board's successor on the passing of the Local Government Act, 1888 (51 & 52 V., c. 41). The London County Council succeeded to all the powers of making by-laws for the management of these parks which had been exercised by the Commissioners of Works. They also, as administering Royal parks, succeeded to whatever rights the Commissioners of Works had in such parks. Thus, by the Parks Regulation Act, 1872 (35 & 36 Vict., c. 15) certain regulations for the Royal parks and gardens were laid down in a schedule to that Act. It was declared by these regulations (*inter alia*) that no person should deliver, or invite any person to deliver, any public address in a park, except in accordance with the rules of the park. These rules were defined as being such as might in relation to any matter within the jurisdiction of the ranger (if there be a ranger, as there is in Hyde Park and Richmond Park, for example), be made by the ranger, the relation to any other matter to which the regulations were applicable might be made by the Commissioners of Works. But these rules must be laid before Parliament and approved before they come into operation. Section 11 of the Act also declares that nothing therein shall authorise any interference with any right of way, or any right whatever, to which any person or persons may be entitled. In 1873, a year after the Act was passed, a speaker in the park was convicted by a magistrate and fined for having delivered an address in the park not in accordance with the rules for public speeches there, that had been issued and signed by the Duke of Cambridge, the Ranger. The conviction was affirmed by the Court of Queen's Bench, which also gave judgment on the point raised under sec. 11, reserving all rights to which any person might be entitled. The Court decided that there was no right in the public to hold meetings in the Royal parks, and therefore there was no right interfered with within sec. 11 (*Bailey v. Williamson*, L.R., 8 Q.B., p. 118). As to the legal position of the Commissioners of Works, and of the London County Council in those parts of which they have now the management and control, a passage may be quoted from the judgment of Lord Blackburn (then Mr. Justice Blackburn) in the above-cited case. He said: "Those parks which the Act of Parliament refers to have been under the management of the Commissioners of Woods and Forests. The Commissioners have managed the parks for the Crown, and they have devoted them to a great extent to the purpose of public recreation, and for the benefit of the public enjoying them. I take it that if any minister of the Crown were ill-advised enough to revoke the Act and to endeavour to stop the enjoyment by the public of the parks in London, which they have had for so long a period, he would probably be checked very speedily by Parliament; but I apprehend that in a court of law there would be no power to say that he could not do it. When a thing was done which was not according to law, when an act was done *contra* in the park, which was objected to by the public, he had the management of them but only remedy at common law that I am aware of was by an information of intrusion in the

nature of trespass brought by the Attorney General against the individual. That would be a trouble some mode of enforcing the right of the Crown to prevent people coming and making speeches in the parks and so this Act of Parliament was passed.

WORMWOOD—The name given to a bitter aromatic herb the *Artemisia absinthium* which is cultivated in North Europe for its tonic properties and for the volatile oil obtained from its leaves. It is chiefly important as the source of absinthe (*qv*).

WRECK—A wreck is such goods as after a ship wreck are cast upon the land by the sea and left there within some country for they are not wrecks so long as they remain at sea in the jurisdiction of the Admiralty. By section 510 of the Merchant Shipping Act 1894 wreck includes in that Act jetsam flotsam and derelict found in or on the shores of the sea or any tidal river and sections 511 & 513 deal generally with the custody of wreck by district receivers of wreck (as by the sheriffs of the counties under the ancient law) and the suppression of plunder by them the lams of the owners within one year and the title of the Crown to unclaimed wreck except in cases where any other person has a right to wreck by royal grant.

Wreck of the sea was by presumption of the ancient common law the property of no one and belonged therefore *primæ facie* to the Crown. If any living thing—man dog or cat—escaped to land from the ship the presumption was changed and the wreck was preserved for a year and a day that the owner might assert and prove his claim to possession. As to unclaimed seashore wreck the question of ownership at the present day is complicated by the numerous grants of wreck which have from very early times been made by the Crown to owners and grantees of lands adjoining the sea. The charters of the Cinque Ports and of some other port towns contain grants of wreck the effect of which is not altogether clear. It would seem that under these grants wreck found upon foreshores owned by the towns and perhaps wreck brought into the ports from the sea was in practice divided between the towns and the finders. The right of the warden of the Cinque Ports to wreck was derived from charters granted to the ports by Edward I and his successors many other seaports enjoyed a similar right under early charters. It would seem that these rights were of some value for in 1829 the little towns of Dunwich and Southwold ligated at a cost of £1000 the question whether a tub of whisky picked up at sea belonged to the Admiralty jurisdiction of the one town or to that of the other. Grants of wreck to individuals are earlier than those to towns.

Where a vessel British or foreign is in distress on or near the coasts of the United Kingdom or any tidal water within the limits of the United Kingdom the receiver of wreck for the district must proceed there take command of all present and assign such duties and give such directions as he thinks fit in order to preserve the vessel and the lives on board and the cargo and apparel of the vessel. He may require persons to help him in loading the master or person in charge of a vessel near at hand and demand the use of any wagon cart or horses near at hand under penalty. In order to render assistance to a wrecked ship all persons may pass with or without carriages or horses, over any adjoining lands without interruption from the owner and deposit thereon anything

recovered from the ship any damage so sustained by an owner or occupier is a charge on the vessel cargo or articles in respect of or by which it is occasioned and the amount recoverable therefor is recoverable as salvage. The receiver has power to suppress plunder and disorder by force. Where a wrecked ship is plundered damaged or destroyed the owner is compensated by the same authority as if the damage was an injury under the Riot Damages Act 1886. Where a receiver is not present his powers may be exercised by any chief officer of customs principal officer of the constabulary officer of inland revenue sheriff justice of the peace commissioned officer on full pay in the naval service or commissioned officer on full pay in the military service. Such officer acts as agent for the receiver but he has no right to any fee although he is not excluded from his right if any to salvage.

Where any ship British or foreign is or has been in distress on the coasts of the United Kingdom a receiver of wreck or a justice of the peace shall examine on oath any person belonging to the ship or any other person who may be able to give any account thereof. The person holding the examination must take the same down in writing and must send one copy thereof to the Board of Trade and another to the secretary of Lloyd's. The expenses of obtaining depositions reports and returns concerning wreck and casualties are paid out of moneys provided by Parliament.

Where any person finds or takes possession of any wreck within the limits of the United Kingdom he must if he is the owner thereof give notice to the receiver of the district and if he is not the owner as soon as possible deliver the same to the receiver of the district. A penalty is imposed on any one taking and secreting wreck at the time of the casualty whether it belongs to him or not and the receiver may take it from him. A receiver taking possession of wreck must give notice thereof to the nearest custom house with its description and if he thinks it exceeds £20 in value he must send a similar description to Lloyd's. The owner of any wreck in the hands of a receiver must establish his claim to it within a year and on so doing and paying all expenses is entitled to have it restored to him. Where a foreign ship has been wrecked on or near the coast and any articles forming part of her cargo are found on or near the coast or are brought into any port the consular officer of the foreign country to which the ship or cargo belongs is deemed to be the agent for the owner so far as the custody and disposal of the articles is concerned. The right to unclaimed wreck belongs to the Crown except in places where the Crown has granted that right to others. Where wreck is not claimed by an owner within a year after it was found and has been in the hands of a receiver it can be claimed by the person entitled to wreck in the place where it was found and he is entitled to have it after paying expenses and salvage connected with it. If no such person claims it it is sold by the receiver and the net proceeds are applied for the benefit of the Crown either for the diocese of Lancaster or the duchy of Cornwall or if these do not claim it goes to the Crown direct. Any dispute as to the title to unclaimed wreck is determined summarily in the same way as a dispute as to salvage but any party dissatisfied therewith may within three months after the expiration of a year proceed in a competent court to establish his title.

Receiver of wreck are appointed by the Board of

These Commissioners after using part of the revenues of the Crown lands in maintaining the public works and buildings in their charge, paid the balance into the Exchequer, and as it was desirable to keep separate the functions of receipt and management of revenue and the function of expenditure, it was decided to sever the Commissioners into two distinct bodies. This was done in 1851 by the Crown Lands Act, 1851 (14 & 15 Vict., c 42). The First Commissioner was declared to be the head of the new department to be known as the Board of Works and Public Buildings. With him were joined the Secretaries of State, and the President and Vice-President of the department which is now the Board of Trade. They were to be styled "The Commissioners of Her Majesty's Works and Public Buildings." The rest of the Commissioners of the old Commissioners of Woods remained the Commissioners of Woods for the future. The First Commissioner of the Board of Works and Public Buildings was made eligible to sit in the House of Commons, but the Commissioners of Woods, whether the First or other Commissioners, were declared ineligible for election. A section in the Act provided that the Commissioners of Woods might be superseded by a Surveyor-General of Woods, Forests and Land Revenues, but this has not been done, and the Commissioners still subsist, the first being unpaid, the two others receiving each £1,200 a year.

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Commissioners of Works, and were maintained at the cost of the Exchequer. The preamble of this Act recites the expediency of their being maintained out of the local rates. Accordingly the Act transferred them to the then existing Metropolitan Board of Works, and they came under the management of the London County Council next year as the Board's successor on the passing of the Local Government Act, 1888 (51 & 52 V., c 41). The London County Council succeeded to all the powers of making by-laws for the management of these parks which had been exercised by the Commissioners of Works. They also, as administering Royal parks, succeeded to whatever rights the Commissioners of Works had in such parks. Thus, by the Parks Regulation Act, 1872 (35 & 36 Vict., c 15) certain regulations for the Royal parks and gardens were laid down in a schedule to that Act. It was declared by these regulations (*inter alia*) that no person should deliver, or invite any person to deliver, any public address in a park, except in accordance with the rules of the park. These rules were defined as being such as might in relation to any matter within the jurisdiction of the ranger (if there be a ranger, as there is in Hyde Park and Richmond Park, for example), be made by the ranger, the relation to any other matter to which the regulations were applicable might be made by the Commissioners of Works. But these rules must be laid before Parliament and approved before they come into operation. Section 11 of the Act also declares that nothing therein shall authorise any interference with any right of way, or any right whatever, to which any person or persons may be entitled. In 1873, a year after the Act was passed, a speaker in the park was convicted by a magistrate and fined for having delivered an address in the park not in accordance with the rules for public speeches there, that had been issued and signed by the Duke of Cambridge, the Ranger. The conviction was affirmed by the Court of Queen's Bench, which also gave judgment on the point raised under sec 11, reserving all rights to which any person might be entitled. The Court decided that there was no right in the public to hold meetings in the Royal parks, and therefore there was no right interfered with within sec 11 (*Bailey v Williamson*, L R, 8 Q B, p 118). As to the legal position of the Commissioners of Works, and of the London County Council in those parks of which they have now the management and control, a passage may be quoted from the judgment of Lord Blackburn (then Mr Justice Blackburn) in the above-cited case. He said "Those parks which the Act of Parliament refers to have been under the management of the Commissioners of Woods and Forests. The Commissioners have managed the parks for the Crown, and they have devoted them to a great extent to the purpose of public recreation, and for the benefit of the public enjoying them. I take it that if any minister of the Crown were ill-advised enough to revoke the Act, and to endeavour to stop the enjoyment by the public of the parks in London, which they have had for so long a period, he would probably be checked very speedily by Parliament; but I apprehend that in a court of law there would be no power to say that he could not do it. When a thing was done which was not according to law, when any act was done to or in the park, which was objected to by those who had the management of them, his only remedy at common law that I am aware of was by an information of intrusion in the

A 1

In the High Court of Justice

Chancery DIVISION

1913 5 No 4953

Mr Justice Parker

BETWEEN

Alfred Smith

Plaintiff

and

Joseph Thompson

Defendant

GEORGE THE FIFTH by the Grace of God of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas King Defender of the Faith TO

Joseph Thompson

of 853 Chancery Lane

in the County of London

We command you that within eight days after the service of this writ on you are to be of the day of such service you do cause an appearance to be entered for you in an action at the suit of

Alfred Smith

And take notice that in default of your so doing the plaintiff may proceed therein and judgment may be given in your absence.

WITNESS RICHARD BURDON VISCOUNT HALDANE OF CLOAN Lord High Chancellor of Great Britain the *Second* day of *January* in the year of Our Lord One thousand nine hundred and *thirteen*

NOTE.—This writ is to be served with a twelve calendar months from the date thereof or if renewed within six calendar months from the date of the last renewal, including the day of such date and not afterwards.

The defendant may appear hereto by entering an appearance either personally or by solicitor at the Central Office Royal Courts of Justice London.

Trade There are also wreck commissioners, whose number may not exceed three at one time, and are appointed by the Lord Chancellor. These commissioners may hold inquiries into shipping casualties, may be judges of courts of survey, and may take examinations in respect of ships in distress, but they seldom or never have to deal with wrecks as such.

The owner of a wrecked ship, sunk by his negligence, in a navigable highway, so as to be an obstruction to navigation, if he retains the ownership of her, is liable in damages to the owner of any other ship which, without negligence, runs into her. If, however, the owner has taken steps to point out her position, or the harbour authority, at his request, has undertaken to do so, no action lies against him for negligence. He may, however (whether the sinking was due to his negligence or not), abandon the ship and thus free himself from any further liability in respect of her.

The Merchant Shipping Act, 1896, makes it incumbent on the master of a British ship to report to Lloyd's agent, or to the secretary of Lloyd's, any floating derelict ship which he may fall in with at sea.

WRECKAGE.—Goods that are cast up on the shore by the sea after the wreck of the vessel in which the goods were being carried.

WRIT.—Also called a writ of summons. In a general sense a writ is any document which commands a person to do a certain thing. In a legal sense it is the name given to the document by which an action is started in the High Court of Justice. The document must bear the seal of the court before it is of any legal validity, and a payment of 10s. has to be made upon its issue. The writ is addressed to the person who is made defendant in the action, and it commands such person to attend at the High Court, or at some other place named, within a period of eight days after service upon him, to answer the demand of the plaintiff. It is issued in the name of the Lord Chancellor, but if that office is vacant the Lord Chief Justice takes his place. The nature of the claim made is indorsed upon the writ. In most cases a defendant agrees to accept service through a solicitor. If not, personal service is necessary, though where a defendant deliberately keeps out of the way, an

order may be obtained for what is known as substituted service, *i.e.*, the court allows certain steps to be taken which are likely to bring the fact of the writs having been issued to the defendant's notice, and thus will be considered equivalent to personal service and will have the same effect as to all subsequent proceedings. A copy of the writ is that which is actually served upon the defendant, but the original sealed writ must be exhibited, if required. There are special rules as to the service of a writ, or a copy thereof, when the defendant does not reside within the jurisdiction. Every writ is valid, in the first instance, for twelve months, from its date, but if it cannot be served in that time, and no order has been made for substituted service, upon good cause being shown, the court will allow its renewal for any period not exceeding six months. At the expiration of the six months, further renewals may also be granted, and so the writ may be kept alive for almost any period until it is served. This renewal is an advantage to the plaintiff, as the Statute of Limitations (*qv*) does not run so long as the writ is in existence. Upon service of the writ, or after the time allowed in the case of substituted service, the defendant must enter an appearance (*qv*) within eight days if he intends to contest the action. If he fails to do so the plaintiff is entitled to sign judgment. When an appearance has been entered, the action proceeds in the ordinary course, the various steps being dependent upon the nature of the case (*See ACTION*).

WRITING PAPER.—(*See PAPER*)

WRIT OF ELEGIT.—(*See ELEGIT*)

WRIT OF FIERI FACIAS.—(*See FIERI FACIAS*)

WRIT OF SUMMONS.—(*See WRIT*)

WRITER TO THE SIGNET.—(*See SIGNET, WRITER TO THE*)

WRONGFUL CONVERSION.—(*See CONVERSION*)

WRONGFUL DISMISSAL.—(*See MASTER AND SERVANT*)

WURRUS.—Also known as bastard saffron. It is a golden brown dye obtained from the glands of the fruit of an East Indian tree, the *Mallotus Philippensis*. It is used in India for dyeing silk.

X

X.—This letter is used in the following abbreviations—

X C, Ex coupon
X D, Ex Dividend
X In, Ex Interest
X N, Ex New (*qv*)

XYLONITE.—(*See CELLULOID*)

ANTWERP 1887

LIVERPOOL 1890

ANTWERP 1887

LIVERPOOL 1890

RULE IV.—DAMAGE TO CARGO IN DISCHARGING

Damage done to cargo by discharging it at a port of refuge shall not be admissible as general average in case such cargo shall have been discharged at the place and in the manner customary at that port with ships not in distress. —(See Rule VII)

RULE IV.—CARGO SHIPS' MATERIALS AND STORES BURNED FOR FUEL

Cargoes ships' materials and stores or any of them necessarily burnt for fuel for the common safety at a time of peril shall be admitted as general average when and only when an ample supply of fuel had been provided but the estimated quantity of coals that would have been consumed calculated at the price current at the ship's last port of departure at the date of her leaving shall be charged to the ship owner and credited to the general average

RULE V.—CONTRIBUTORY VALUES

The contribution to a general average shall be made upon the actual values of the property at the termination of the adventure to which shall be added the amount made good as general average for property sacrificed deduction being made from the shipowner's freight and passage money at a rate of two-fifths of such freight in lieu of crew's wage port charges and all other deductions deduction being also made from the value of the property of all charges incurred in respect thereof subsequently to the raising of the claim to general average. —(See Rule VII)

RULE V.—EXPENSES AT PORT OF REFUGE ETC

(a) When a ship shall have entered a port or place of refuge or shall have returned to her port or place of loading in consequence of accident sacrifice or other extraordinary circumstances which render that necessary for the common safety, the expenses of entering such port or place shall be admitted as general average and when she shall have sailed thence with her original cargo or a part of it the corresponding expenses of leaving such port or place consequent upon such entry or return shall likewise be admitted as general average

(b) The cost of discharging cargo from a ship whether at a port or place of loading call or refuge shall be admitted as general average when the discharge was necessary for the common safety or to enable damage to the ship caused by sacrifice or accident during the voyage to be repaired if the repairs were necessary for the safe prosecution of the voyage

(c) Whenever the cost of discharging cargo from a ship is admissible as general average the cost of reloading and stowing such cargo on board the said ship together with all storage charges on such cargo shall likewise be so admitted. But when the ship is condemned or does not proceed on her original voyage no storage expenses incurred after the date of the ship's condemnation or of the abandonment of the voyage shall be admitted as general average

(d) If a ship under average be in a port or place at which it is practicable to repair her so as to enable her to carry on the whole cargo and if in order to save expenses either she is towed thence to some other port or place of repair or to her destination or the cargo or a portion of it is transhipped by another ship or otherwise varied then the extra cost of such voyage transshipment and forwarding (up to the amount of the extra expense saved) shall be payable by the several parties to the adventure in proportion to the extraordinary expenses saved. —(See Rule VII)

RULE VI.—LOSS OF FREIGHT

In every case in which a sacrifice of cargo is made good as general average the loss of freight (if any) which is caused by such loss of cargo shall likewise be made good. —(See Rule V)

RULE VI.—WAGES AND MAINTENANCE OF CREW IN PORT OF REFUGE ETC

When a ship shall have entered or been detained in any port or place under the circumstances or for the purposes mentioned in Rule V the wages payable to the master, officers and crew together with the cost of maintenance of the same during the extra period of detention in such port or place until the ship shall or should have been made ready to proceed

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for damage done by water to packages which have been on fire (See *Greenshields, Cowie & Co. v. Stephens & Sons*, 1903, 1 K B 51)

RULE IV—CUTTING AWAY WRECK

Loss or damage caused by cutting away the wreck or remains of spars, or of other things which have previously been carried away by sea peril, shall not be made good as general average

RULE V—VOLUNTARY STRANDING

When a ship is intentionally run on shore because she is sinking or driving on short or rocks, no damage caused to the ship, the cargo, and the freight, or any or either of them, by such intentional running on shore shall be made good as general average

RULE VI—CARRYING PRESS OF SAIL

Damage occasioned to a ship or cargo by carrying a press of sail shall not be made good as general average

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be made good as general average, except that no compensation shall be made for damage to such portions of the ship and bulk cargo, or to such separate packages of cargo, as have been on fire

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Loss or damage caused by cutting away the wreck or remains of spars, or of other things which have previously been carried away by sea peril, shall not be made good as general average

RULE V—VOLUNTARY STRANDING

When a ship is intentionally run on shore, and the circumstances are such that if that course were not adopted she would inevitably sink, or drive on shore or on rocks, no loss or damage caused to the ship, cargo, and freight, or any of them, by such intentional running on shore shall be made good as general average. But in all other cases where a ship is intentionally run on shore for the common safety, the consequent loss or damage shall be allowed as general average

RULE VI—CARRYING PRESS OF SAIL—DAMAGE TO OR LOSS OF SAILS

Damage to or loss of sails and spars, or either of them, caused by forcing a ship off the ground or by driving her higher up the ground, for the common safety, shall be made good as general average, but where a ship is afloat no loss or damage caused to the ship, cargo, and freight, or any of them, by carrying a press of sail, shall be made good as general average.

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RULE VII—PORT OF REFUGE EXPENSES

When a ship shall have entered a port of refuge under such circumstances that the expenses of entering the port are admissible as general average, and when she shall have sailed thence with her original cargo, or a part of it, the corresponding expenses of leaving such port shall likewise be so admitted as general average, and whenever the cost of discharging cargo at such port is admissible as general average, the cost of re-loading and stowing such cargo on board the said ship, together with all storage charges on such cargo, shall likewise be so admitted. Except that any portion of the cargo left at such port of refuge, on account of its being unfit to be carried forward, or on account of the unfitness or inability of the ship to carry it, shall not be called on to contribute to such general average—(See Rule X below)

RULE VIII—WAGES AND MAINTENANCE OF CREW IN PORT OF REFUGE

When a ship shall have entered a port of refuge under the circumstances defined in Rule VII, the wages and cost of maintenance of the masters and mariners from the time of entering such port until the ship shall have been made ready to proceed upon her voyage, shall be made good as general average. Except that any portion of the cargo left at such ports of refuge on account of its being unfit to be carried forward, or on account of the unfitness or inability of the ship to carry it, shall not be called upon to contribute to such general average—(See Rule XI)

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RULE VII—DAMAGE TO ENGINES IN REFLOATING A SHIP

Damage caused to machinery and boilers of a ship, which is ashore and in a position of peril, in endeavouring to refloat, shall be allowed in general average, when shown to have arisen from an actual intention to float the ship for the common safety at the risk of such damage

RULE VIII—EXPENSES LIGHTENING A SHIP WHEN ASHORE, AND CONSEQUENT DAMAGE

When a ship is ashore and, in order to float her, cargo, bunker coals and ship's stores, or any of them, are discharged, the extra cost of lightening, lighter hire, and reshipping (if incurred), and the loss or damage sustained thereby, shall be admitted as general average

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RULE IX.—DAMAGE TO CARGO IN DISCHARGING

Damage done to cargo by discharging it at a port of refuge shall not be admissible as general average in case such cargo shall have been discharged at the place and in the manner customary at that port with ships not in distress.—(See Rule VII)

LIVERPOOL 1890

RULE IX.—CARGO SHIPS' MATERIALS AND STORES BURNED FOR FUEL

Cargoes ships' materials and stores or any of them necessarily burnt for fuel for the common safety at a time of peril shall be admitted as general average when and only when an ample supply of fuel had been provided but the estimated quantity of coals that would have been consumed calculated at the price current at the ship's last port of departure at the date of her leaving shall be charged to the ship owner and credited to the general average

RULE X.—CONTRIBUTORY VALUES

The contribution to a general average shall be made upon the actual value of the property at the termination of the adventure to which shall be added the amount made good as general average for property sacrificed deduction being made from the shipowner's freight and passage money at a rate of two-fifths of such freight in lieu of crew's wages port charges and all other deductions deduction being also made from the value of the property of all charges incurred in respect of the subsequence of the claim to general average.—(See Rule VII)

RULE X.—EXPENSES AT PORT OF REFUGE ETC

(a) When a ship shall have entered a port or place of refuge or shall have returned to her port or place of loading in consequence of accident, sacrifice or other extraordinary circumstances which render that necessary for the common safety the expenses of entering such port or place shall be admitted as general average and when she shall have sailed thence with her original cargo or a part of it the corresponding expenses of leaving such port or place consequent upon such entry or return shall likewise be admitted as general average

(b) The cost of discharging cargo from a ship, whether at a port or place of loading call or refuge, shall be admitted as general average when the discharge was necessary for the common safety or to enable damage to the ship caused by a fire or a collision during the voyage to be repaired. If the repairs were necessary for the safe prosecution of the voyage

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(c) Whenever the cost of discharging cargo from a ship is admissible as general average the cost of reloading and storing such cargo on board the said ship together with all storage charges on such cargo shall likewise be so admitted. But when the ship is condemned or does not proceed on her original voyage no storage expenses incurred after the date of the ship's condemnation or of the abandonment of the voyage shall be admitted as general average

(d) If a ship under average be in a port or place at which it is practicable to repair so as to enable her to carry on the whole cargo and if incurred a sacrifice expense either she is towed then or some other port or place or repaired or her destination or the cargo or a portion of it is transferred to another ship or otherwise forwarded then the extra cost of such towage, transhipment and forwarding (up to the amount of the extra expense saved) shall be payable to the several parties to the adventure in proportion to the extra ordinary expense saved.—(See Rule VII)

RULE XI.—LOSS OF FREIGHT

In every case in which a sacrifice of cargo is made good as general average the loss of freight (freight) which is caused by such loss of cargo shall likewise be made good.—(See Rule X)

RULE XI.—WAGE AND MAINTENANCE OF CREW IN PORT OF REFUGE ETC

When a ship is in a port or place of refuge or is detained in any port or place until it is clear of danger or is repaired or the repairs are completed or until the master has decided to return to sea the wages and maintenance of the crew shall be paid to the same in the same proportion as the extra charges for the repairs or for the maintenance of the crew shall be paid to the same.

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on her voyage, shall be admitted as general average. But when the ship is condemned or does not proceed on her original voyage, the wages and maintenance of the master, officers, and crew, incurred after the date of the ship's condemnation or of the abandonment of the voyage, shall not be admitted as general average — (See Rule VIII)

RULE XII—AMOUNT TO BE MADE GOOD FOR CARGO

The value to be allowed for goods sacrificed shall be that value which the owner would have received if such goods had not been sacrificed — (See Rule XVI)

RULE XII—DAMAGE TO CARGO IN DISCHARGING, ETC

Damage done to or loss of cargo necessarily caused in the act of discharging, storing, re-loading and stowing, shall be made good as general average, when, and only when, the cost of those measures respectively is admitted as general average — (See Rule IX)

RULE XIII—DEDUCTIONS FROM COSTS OF REPAIRS

In adjusting claims for general average, repairs to be allowed in general average shall be subject to the following deductions in respect of "new for old," viz —

In the case of iron or steel ships, from date of original register to the date of accident—

Up to one year old (A)—All repairs to be allowed in full, except painting or coating of bottom, from which one-third is to be deducted

Between one and three years (B)—One-third to be deducted off repairs to and renewal of woodwork of hull, masts and spars, furniture, upholstery, crockery, metal and glassware, also sails, rigging, ropes, sheets and hawsers (other than wire and chain), awnings, covers and painting. One-sixth to be deducted off wire rigging, wire ropes and wire hawsers, chain cables

and chains, donkey-engines, steam winches and connections, steam cranes and connections; other repairs in full.

Between three and six years (C)—Deductions as above under Clause B, except that one-sixth be deducted off ironwork of masts and spars, and machinery (inclusive of boilers and their mountings)

Between six and ten years (D)—Deductions as above under Clause C, except that one-third be deducted off ironwork of masts and spars, repairs to and renewal of all machinery (inclusive of boilers and their mountings), and all hawsers, ropes, sheets, and rigging

Between ten and fifteen years (E)—One-third to be deducted off all repairs and renewals, except ironwork of hull and cementing and chain cables, from which one-sixth to be deducted. Anchors to be allowed in full

Over fifteen years (F).—One-third to be deducted off all repairs and renewals. Anchors to be allowed in full. One-sixth to be deducted off chain cables

Generally (G)—The deductions (except as to provisions and stores, machinery and boilers) to be regulated by the age of the ship, and not the age of the particular part of her to which they apply. No painting bottom to be allowed if the bottom has not been painted within six months previous to the date of accident. No deduction to be made in respect of old material which is repaired without being replaced by new, and provisions and stores which have not been in use

In the case of wooden or composite ships—

When a ship is under one year old from date of original register, at the time of accident, no

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deduction *new for old* shall be made. After that period a deduction of one third shall be made with the following exceptions—

Anchors shall be allowed in full. Chain cables shall be subject to a deduction of one sixth only.

No deduction shall be made in respect of provisions and stores which had not been in use.

Metal sheathing shall be dealt with by allowing in full the cost of a weight equal to the gross weight of metal sheathing stripped off minus the proceeds of the old metal. Nail felt and labour metal ling are subject to a deduction of one third.

In the case of ships generally—

In the case of all ships the expense of straightening bent iron work including labour of taking out and replacing it shall be allowed in full.

Graving dock dues including expenses of removals cartages use of shears staves and graving dock materials shall be allowed in full.

RULE XIV.—TEMPORARY REPAIR

No deductions new for old shall be made from the cost of temporary repairs of damage allowable as general average.

RULE XV.—LOSS OF FREIGHT

Loss of freight arising from damage to or loss of cargo shall be made good as general average either when caused by a general average act or when the damage to or loss of cargo is so made good—(See Rule XI Antwerp.)

RULE XVI.—AMOUNT TO BE MADE GOOD FOR CARGO LOST OR DAMAGED BY SACRIFICE

The amount to be

made good as general average for damage or loss of goods sacrificed shall be the loss which the owner of the goods has sustained thereby, based on the market values at the date of the arrival of the vessel or at the termination of the adventure—(See Rule XII Antwerp.)

RULE XVII.—CONTRIBUTORY VALUES

The contribution to a general average shall be made upon the actual values of the property at the termination of the adventure to which shall be added the amount made good as general average for property sacrificed. Deduction being made from the shipowners' freight and passenger money at risk of such port charges and crew wages as would not have been incurred had the ship and cargo been totally lost at the date of the general average act or sacrifice and have not been allowed as general average deductions being also made from the value of the property of all charges incurred in respect thereof subsequently to the General Average Act except such charges as are allowed in general average. Passengers' luggage and personal effects not shipped on bill of lading shall not contribute to general average—(See Rule X Antwerp.)

RULE XVIII.—ADJUSTMENT

Except as provided in the foregoing rules the adjustment shall be drawn up in accordance with the law and practice that would have governed the adjustment had the contract of affranchisement not contained a clause to pay general average according to their rules.

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States. But it was the period when the rivalry of Austria and Prussia became definitive for the leadership of Germany, and one of the means used for political purposes by Prussia outside the federal Diet where Austria had predominance was the inclusion of other States in a commercial system practically her own. The position bore some resemblance in one respect to that of the situation in which the United Kingdom at present stands towards the Dominions. All the German States with the exception of Prussia were high protectionists against each other. Prussia however in 1819 very much reduced her tariff partly owing to her special circumstances and partly under the influence of the Liberal statesmen who at that time were still influential and had learned the economics of Adam Smith. This reduced Prussian tariff ultimately became in 1834 the common tariff of the Zollverein against the rest of the world, the import duties of the States between each other being abolished. In every other respect the position is quite different and if the name Zollverein is given to any British scheme of commercial union it must be understood that no system has yet been proposed exactly like the German Zollverein. No preferential tariff between the Zollverein States as against the rest of the world was required there being no protective duties at all and the lowest possible customs duties if any were levied by one State against another. The process of conversion from high protectionism went on slowly for many years before the various States were prepared to give up their protectionist policy and mutual jealousies and come into the Zollverein. First the thirteen States came in which had portions of their territories within the general boundary line of the Prussian States the Enclaved States, as they were called. These Enclaves were partly the reason for modifying the Prussian high tariff system together with the irregular frontier of Prussia herself as they made a high tariff system exceedingly difficult and unprofitable to administer in various ways partly political and partly economic. Prussia brought pressure to bear on these enclaved States. In the year 1819 the first of these States came into the Prussian Customs Union. Within the next ten years other northern States joined. The extension of Prussian political influence by means of this commercial arrangement was evident and alarming at a time when to oppose the extensions of either Russian or Austrian power was the policy of all the other States. Nothing could be done in the federal Diet to set up a system to counteract Prussia and in 1828 Württemberg and Bavaria in the south formed a tariff union joined soon after by some other States. A possibility of union between Prussia and the German Commercial Union brought about the Middle German Commercial Union consisting of Hanover, Hesse-Cassel, the Saxon Duchies Brunswick, Nassau the free cities of Frankfurt and Bremen and other States all jealous of the extending power of Prussia. A year afterwards however it became apparent that separate systems could not be maintained. Prussia made a commercial treaty with the union of Bavaria and Württemberg and the Commercial Union (Handelsverein) broke down with a one of its main objects was thus frustrated. One after another of the States of the Zollverein joined the Zollverein. By 1833 the northern and southern unions were amalgamated and the remaining States came into it so that

in 1834 the German Customs and Commercial Union (Deutscher Zoll und Handelsverein) to which the Prussians gave the name of Zollverein embraced the greater part of Germany. Certain other States still remained out of such as Hanover, Brunswick and Oldenburg and formed a Customs Union under the name of Steuerverein. Some other States then attached themselves to the Prussian Zollverein and some of the Steuerverein States also passed over to it and at last the Steuerverein itself in 1834 was absorbed by Prussia, this move being hastened by the attempts of Austria to break up the Zollverein as being an instrument of Prussian politics. When Austria failed she desired to come into the Zollverein herself but it was Prussia's policy to preserve her own controlling influence in the union without Austrian rivalry and Austria was refused admittance. Austria thus gave place to Prussia as the head of a commercial association which united all the German States outside Austria in one tariff system and became one of the means by which Germany was gradually prepared for the political headship of Prussia.

One reason for the interest of the British Empire in the Zollverein is this close connection of it with politics. A commercial union is held by those who urge a preferential tariff with the Dominions to be the first necessary step by which States in hard more than a nominal political association can be bound together into an effective empire.

Moreover the question of free trade and protection is different methods of commercial policy for European nations became an acute subject of controversy in the Zollverein. As the tariff of the Zollverein was at first the lower tariff of Prussia against the outer world it was in the direction of freer trade. But the protectionist parties chiefly of the southern States gradually obtained the predominance in the Zollverein until 1853 but from that time Prussian free trade influence again prevailed. A commercial treaty with France was concluded in 1855 by the Zollverein through Prussia's efforts against the resistance of the Southern States who looked for Austrian support but were disappointed. This era of free trade lasted until the Zollverein was absorbed in the German Empire and since then the tariff system of Germany has been universally protectionist.

The true Zollverein depends on the existence of free trade between the federated States themselves and a common tariff imposed on goods of foreign origin. This has never been proposed by any advocates of the commercial union of the British Empire but in its place there has been the proposal of various plans for preferential tariffs. In any such system each State might impose preferential duties without the necessarily involving any common fund but at the Colonial Conference in 1887 a scheme by Mr Hofmeyer differed in this respect from the usual schemes. It proposed that while each country imposed its own duties on its imports there should be a small fixed duty on foreign imports over and above those on British imports and that this should be paid into a common fund for imperial defence. The difference between such a scheme as this and the Zollverein is that the raising of the common fund and its application to imperial purposes was no place in the Zollverein. Its common fund raised by the tariff was distributed afterwards amongst the various States proportionately. The first a social and direct plan for empire the second contributed indirectly to the

ZAFFRE.—(See COBALT)

ZANZIBAR.—The Zanzibar Protectorate includes the islands of Zanzibar and Pemba (lying off the coast of German East Africa), and the coastal strip of the British East Africa Protectorate up to 10 miles inland. Zanzibar has an area of 640 square miles, and a population estimated at 250,000, while the area of Pemba is 380 square miles, and its population about 50,000. The black population, mostly Swahili, is the most numerous, while the Arabs are the principal landholders and employers of labour. In the town of Zanzibar there are a few hundred Europeans engaged in trade.

Zanzibar is the most important trading centre in East Africa, and has earned the name of the "Liverpool of East Africa." It was formerly the starting point of the old slave caravan route, which crossed to the mainland and proceeded to Lake Victoria Nyanza or Lake Tanganyika, it is still an important centre of caravan trade, and its harbour presents many facilities for shipping and trade generally. The most important products are cloves, copra, and ivory. Vanilla and chillies are also of importance. Oranges and cloves thrive on the hills, and rice, manioc, and sugar cane on the plains. There is a light railway from Zanzibar town to the clove and cocoa-nut plantations to the north, and Zanzibar harbour is visited by ships of the Union Castle Line, the British India Steam Navigation Company, the Messageries Maritimes Company, and the Austrian and German Lloyd Companies. The exports are mainly gums, ivory, copra, rubber, cloves, and hides, and the imports cotton goods, iron goods, beads, groceries, rice, grain, and petroleum. Most trade is with the United Kingdom, British India, British East Africa, Germany, France, and the United States.

Mails are despatched regularly once a month to Zanzibar direct, but there are also supplementary mail services via Marseilles and Aden for letters specially indorsed.

Zanzibar is 8,064 miles distant from London and the time of transit is about twenty-two days.

For map see AFRICA, page 44.

ZEBRA WOOD.—The hard timber of a South American tree. It is light brown in colour, and has beautiful markings. It is used in cabinet work, but is very scarce.

ZEDOARY.—A species of *Curcuma*, an Oriental herbaceous plant, with a bitter, aromatic root. It has pungent properties similar to those of ginger, and is used for the same purposes. The best is obtained from Ceylon.

ZER.—(See FOREIGN WEIGHTS AND MEASURES—PRUSSIA)

ZINC.—A bluish-white metallic element, never found pure in nature. Its ores are, however, widely distributed, particularly blende (ZnS), which is the main source of the metal. Blende is largely imported from Germany, where it occurs in abundance. The commercial name for metallic zinc is spelter. The

metal is obtained by crushing and roasting the ore, which is afterwards distilled with charcoal in earthenware retorts, the vapour being collected and condensed. Zinc is much used in the construction of electric batteries, for roofing purposes, for alloys, *e.g.*, brass (qv). It is also largely employed in the preparation of galvanised iron, *i.e.*, iron dipped into a bath of molten zinc in order to preserve it from rusting when exposed to the atmosphere. The oxide ZnO is used as a paint under the name of zinc white, and is also valuable for obtaining other compounds, *e.g.*, sulphate of zinc, also called white vitriol, and chloride of zinc, both of which have medicinal value. Zinc sulphate is a powerful emetic, but is chiefly applied externally, for its astringent properties, to sores, etc., generally in the form of ointment. Zinc chloride is used as a caustic and as an antiseptic.

ZOLL.—(See FOREIGN WEIGHTS AND MEASURES—GERMANY)

ZOLLVEREIN.—In its origin this word denoted the German Customs Union, which may be considered as having been definitely formed in 1834. *Zoll* is the German word for a Customs duty or a toll, and *Verein* for any union or association. The importance of it in British politics and economies comes from its use in discussions on tariff questions, and especially from its connection with proposals for a commercial federation between the various states comprising the British Empire. The essential principle of the German Zollverein was the commercial union of a number of independent German States for establishing free trade intercourse between themselves with a common tariff of duties levied on States outside the union. There is a sufficient analogy between the situation of these separate States and those of the British Empire for the application of the term Zollverein to any proposal for the trade federation of the various members of that empire. This particular grouping of German States for commercial purposes was the earliest and most important, though later there were many others with similar objects, and it was, therefore, the German name which was used to describe any similar commercial union.

In the case of the States of the British Empire, however, the name is used not to describe an accomplished fact, but any scheme proposed in discussion for a commercial union of those States. Moreover, the difference is obvious between the States of Germany and the States of the British Empire. The German States, both nominally and actually, were sovereign and independent, the British States are nominally non-sovereign, but are practically independent and self-governing. Prussia, the State which, after the war of liberation in 1815, took the leading part in bringing about the commercial union of itself and the group of other German States, had no political power over them, and no tie, other than their common loose association in the German "Bund," or federal union of

subsequent union. Other similar British schemes have been proposed, without approaching the Zollverein idea, as allowance has always to be made for the protectionist or extremely high customs tariff of the Dominions as compared with the generally low tariff of the United Kingdom.

Wherever there has been a customs union between States it has rested on their giving up protective tariffs against each other, and adopting one customs tariff as regards the rest of the world. Before the federation of South Africa there had been a customs union which exactly conformed to this principle of the Zollverein. In 1889 Cape Colony

and the Orange Free State were the original members. Afterwards British Bechuanaland, Basutoland, the British Bechuanaland Protectorate, the Transvaal, and Southern Rhodesia joined. In this instance only one of the States was a Sovereign State—the Transvaal—and over it Great Britain claimed a suzerainty, the others were part of the British Empire. But in spite of these differences the union could be described as a Zollverein as there was a common tariff against outsiders and free trade within the union.

ZOLOTNICK.—(See FOREIGN WEIGHTS AND MEASURES—RUSSIA.)



ADDENDA ET CORRIGENDA

ACTION.—Page 17 col 2 last line but 1. For creditors read debtors

ADDRESSES.—Page 21 col 1 Lord Mayor To the list of cities whose chief magistrates are entitled to be addressed as Lord Mayor should be added the city of Bradford

ADMINISTRATOR.—Page 3 col 1 line 10 Instead of the sentence commencing "Two sureties etc read "Two sureties to the administration bond are required in all cases of administration or administration with the will annexed except where the husband or his attorney or his legal personal representative is the administrator or where the total estate is sworn at a sum not exceeding £50 in which case one surety alone is necessary. Where a wife is administratrix of the estate of her deceased husband she is not entitled to the privilege which he would have enjoyed if he had survived her and become the administrator of her estate. She like any other person where the estate exceeds £50 must provide two sureties for due administration

ADULTERATION.—Page 31 col 1 line 44 In this article it is asserted that beer is frequently adulterated with one or more of the ingredients there set out in detail. The statement appears to be incorrect. The Brewers Society in a communication upon this subject state "Some of these adulterants were well known and put into beer if the records of half a century or more back are to be believed. It is pure imagination for anyone to suppose for instance that vitriol or strychnine are ever except with criminal intent put into beer

AFRICA.—Map page 44 For Rabba in Northern Nigeria read Jebba

APPEAL.—Page 89 col 2 line 6 There is a Bill before Parliament at the present time (1917) recommending the addition of two members to the Judicial Committee of the Privy Council. It is probable that this Bill will become law at no distant date

ARGENTINA.—The error as to the trans Andean railway referred to in this article is corrected in the subsequent articles on CHILE and RAILWAYS

ASSIGNMENT.—In the facsimile given between pages 110 and 111 the value of the stamp should be £1 15s and not £3 10s

Also add to the paragraph on the second page of the facsimile "And the vendor hereby covenants with judgment these words "And it is hereby certified that the transaction hereby effected does not form part of a larger transaction or of a series of transactions in respect of which the amount or value or the aggregate amount or value of the consideration exceeds £500 (See Finance Act, 1910 Sec 73)

ASSIZES.—The re-arrangement of the circuits in so far as the hearing of civil causes is concerned came into force in 1912 but it cannot be said to have been a success as in several instances the

causes were set down for trial. It is doubtful to what extent this change will be followed in 1913 and subsequently

AVRAGE.—Page 130 col 1 line 3 of article 1 or four read five

BALANCING BOOKS.—Page 152 col 2 line 1 For £155 3s. 10d. read £150 4s

BANANA.—The growing of the banana is not a great industry of the West Indies generally but only of the islands of Jamaica and Trinidad, and the greater portion of the fruit is exported from Central America

BARBADOS (not BARBADOES).—It has been found by experience that the soil of this island is not particularly adapted for fruit-growing and the planters of sugar are on the whole extremely prosperous. In recent times the growth of cotton has been fostered, and it is extremely probable that its cultivation will increase

For West Indies and Panama Telegraph Company read West India and Panama Telegraph Company

The statement as to Bridgetown being a headquarters of the British forces in the West Indies is incorrect. These forces were withdrawn some years ago

BERMUDAS.—Correct this article by deleting additions and alterations

The rearing of Lutes and Lily hells is a staple industry of the islands

Hamilton on Great Bermuda Island is not capital

The great docks at the north-east corner are at Ireland Island

Mails are despatched to Bermuda every Wednesday and Saturday via New York and are direct at irregular intervals

BINETALLISM.—Page 17 col 1 line 3 This line should read "the binetallism of the price of the ounce of silver was 100

LOVA FIBRES.—Read "Lova" for "Lova" fibres

BORACIC ACID.—The last sentence of this article should read "Boracic acid is used in the manufacture of glass and in the treatment of certain diseases"

BULGARIA.—Owing to the war which broke out in the summer of 1914 and the consequent closing of the Balkan Straits the Bulgarian navy was unable to take part in the operations of the Black Sea

CANALS.—In the article on the Canals of the British Empire on page 274 the Great Western Canal is stated as extending from Bridgewater to Weymouth

CAPE COLONY.—In the article on the Cape Colony on page 274 the Cape Colony is stated as extending from the Cape of Good Hope to the Orange River

CAPE OF GOOD HOPE.—In the article on the Cape Colony on page 274 the Cape of Good Hope is stated as extending from the Cape of Good Hope to the Orange River

of the Cape of Good Hope. The Orange River Free State had its name changed to the Orange River Colony when the territory was annexed by Great Britain in 1900, but it has now reverted to its old style. By the Act to constitute the Union of South Africa 1909 (9 Edw VII, c 9), sec 6, it is enacted, "The Colonies mentioned in section four shall become original provinces of the Union under the names of Cape of Good Hope, Natal, Transvaal, and Orange Free State, as the case may be. The original provinces shall have the same limits as the respective Colonies at the establishment of the Union."

CENTIGRADE.—For "Reaumer," read "Réaumur."

CHINA.—At the end of this article, in the paragraph referring to the mail service, read as follows. "The time of transit to Peking, via the Siberian railway, is about 14 days. To Shanghai the time is 17, 31, or 32 days, according as the route taken is via the Siberian railway, Vancouver, or Suez."

CIRCUITS.—Page 339, col 1, line 51. For "Hereford," read "Hertford."

The alteration in the holding of assizes has been already referred to, and a further change may take place in the near future. Civil causes were taken for the first time at the Easter Assize held at Leeds in 1912.

CONSULAR INVOICES.—The requirements of different countries as to the particular forms that consular invoices take are subject to constant variation, and it is only possible to obtain correct information by applying to the consulate of the country to which goods are consigned.

CONTEMPT OF COURT.—Page 403, col 1, line 30. For "where," read "whose."

COUNTY COURTS.—Although the bill for dealing with County Courts was before Parliament once again in 1912, it is unlikely that it will become law at present.

FAHRENHEIT.—For "Reaumer" read "Réaumur."

FOREIGN MONEYS.—Canada. In May, 1912, the Canadian Mint at Ottawa began the coinage of gold five and ten-dollar pieces, so as to obviate the use of the gold money of the United States. The plan of the late Laurier Government to mint silver Canadian dollars has been abandoned.

FRANCE.—Page 685, col 2, line 30. For "Mendaye," read "Hendaye."

FREIGHT CALCULATIONS.—Page 703, col 2, line 18. For "15 tons," read "16 tons."

GREECE.—Owing to the war in south-east Europe in 1912, this article will probably need revision very shortly.

HAITI.—Page 752, col 2, line 25. For "pite," read "pita."

HIGH COURT.—Two vacancies arose in the King's Bench Division in 1912 owing to death and resignation. An address was presented to the Crown by Parliament, under the provisions of the Act of 1910, for the appointment of one additional judge only. The number of *puisne* King's Bench judges, exclusive of the Lord Chief Justice, is now sixteen.

HOTCHPOT.—This is a term frequently mentioned in settlements and wills. It really means a mass of ingredients. Property is said to be brought into hotchpot when all the beneficiaries under a settlement or a will account for all the benefits they have received when a final division of a property or an estate has to be made.

INCORPORATED LAW SOCIETY.—The proper title of this body is now the Law Society.

INDEMNITY INSURANCE.—To the list set out in the article under this title should be added Leasehold Insurance, a species of indemnity to a person for the loss which he incurs upon the termination of his leasehold holding. For full information, inquiries should be made of the various companies who undertake the different kinds of indemnity work. (See SINKING FUND INSURANCE.)

ITALY.—Page 878, col 1. **Vegetation and Agriculture.** The forest trees are generally of the evergreen type. Evergreen oaks, the cypress, and the Aleppo pine are found throughout the Mediterranean region. In Sicily the chestnut grows at an elevation of from 2,000 to 3,000 feet, and the beech thrives at an elevation of close upon 6,000 feet.

JAPAN.—Instead of the last sentence of this article, read "The time of transit via the Siberian railway is between seventeen and eighteen days. There are subsidiary services via Vancouver and Suez, occupying twenty-six and thirty-six days respectively."

MALA FIDES.—Page 994, col 1, line 19. "Mala Fides" should be "Mala Fides."

MONTENEGRO.—As the outcome of the struggle with Turkey in 1912, the limits of this little state may be considerably increased.

NEGLECT.—Page 1079, col 2, line 14. For "access," read "assess."

PERSIA.—The time of transit to Teheran, via Russia, is fourteen days.

PHILIPPINE ISLANDS.—These islands, with an area of over 120,000 square miles, i.e., about the same as the United Kingdom, are situated north-east of Borneo, and have a population of about eight and a half millions—over half a million of this number being composed of wild or uncivilised people. Formerly the principal possessions of Spain in the East Indies, they were ceded to the United States by the treaty of Paris—December 10th, 1898.

The chief products are hemp, sugar, coffee, indigo, copra, and tobacco, for which the island of Luzon is especially famous.

Manilla, the capital, on the island of Luzon, has a large trade in tobacco. Its population is nearly 250,000.

Other considerable towns, each of them with a population of between 35,000 and 45,000 are, *Laong*, *Lipa*, *Banan*, and *Batangas*.

For map, see EAST INDIES, page 568. (See UNITED STATES.)

PREFERRED CREDITORS.—(See PREFERENTIAL PAYMENTS IN BANKRUPTCY.)

PUERTO RICO.—(See PORTO RICO.)

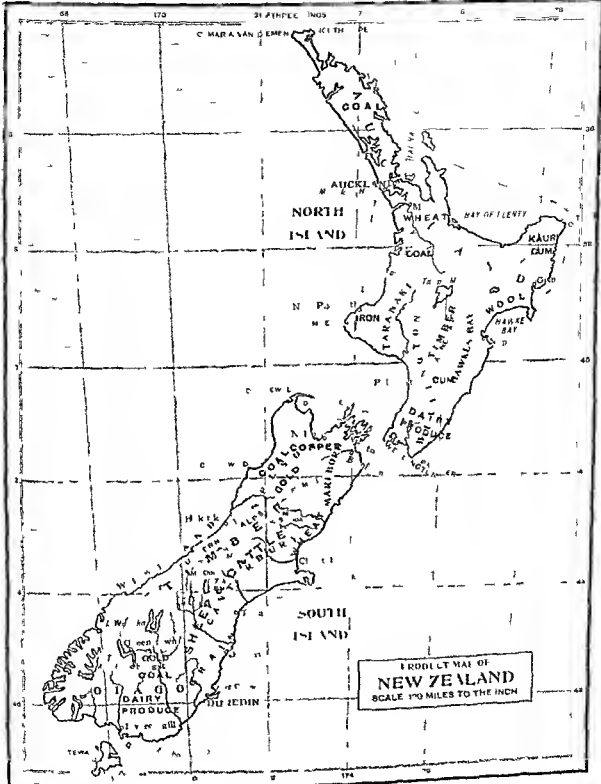
RAILWAYS.—Page 1284, col. 1, line 43. For "Antofazasta," read "Antofagasta."

SERBIA.—Owing to the war in the south-east of Europe in 1912, this article may require considerable revision at an early date.

SHOP HOURS.—The various Acts referred to in this article have been repealed and re-enacted in the consolidating Act of 1912. The reader should purchase a copy of this new Act, together with the regulations published by the Secretary of State upon the same.

TURKISH EMPIRE.—This article will probably require considerable revision in 1913 owing to the war in south-east Europe at the end of 1912.





SOUTHERN SCANDINAVIA AND DENMARK

SCALE 110 MILES TO THE INCH



